

**DOCKET
OF A MEETING OF
THE LAKEWOOD CITY COUNCIL
TO BE HELD IN THE COUNCIL CHAMBERS
LAKEWOOD CITY HALL - 12650 DETROIT AVENUE
FEBRUARY 5, 2018
7:30 P.M.**

*Re-issued February 3, 2018 (Items 23 & 24 were omitted on February 2, 2018 agenda publication)

The Regular Meetings of Lakewood City Council shall be held on the first and third Mondays of each month at 7:30 P.M., except that when such meeting date falls on a holiday such meeting shall instead be held on the following day. A Docket and Agenda of the business proposed to be transacted by Council will be available in the Clerk's Office and on the City's website www.onelakewood.com as soon after 4 PM on the Friday before a Council meeting as possible.

Section 121.08 of the Codified Ordinances of the City of Lakewood establishes rules for the public to follow when speaking before Council:

ADDRESSING COUNCIL – The President may recognize any non-member for addressing Council on any question then pending. In such cases, the person recognized shall address the chair, state his or her name and address and the subject matter he or she desires to discuss. Speakers must be courteous in their language and avoid personalities. When addressed by the Chair, the speaker must yield the floor and comply with all rulings of the chair, said rulings not being open to debate. Except with permission of Council specifically given, speakers shall be limited to five minutes. No person who has had the floor shall again be recognized until all others desiring an opportunity to speak have been given an opportunity to do so.

AGENDA ITEMS PROTOCOL:

The Clerk at the beginning of the meeting will present the AGENDA ITEMS sign-in sheet to the President of Council. Speakers will be called to address Council by the Chair. A citizen must first write his or her name, address and agenda item number on the designated sign-in sheet in order to be recognized.

PUBLIC COMMENT PROTOCOL:

The clerk at the end of the meeting will present the PUBLIC COMMENT sign-in sheet to the President of Council. Public Comment will be welcomed at the end of a Council Meeting on miscellaneous issues or issues other than agenda items. A citizen must first write his or her name, address and topic on the designated sign-in sheet in order to be recognized. The forum is not designed to be a question and answer session.

- I. Pledge of Allegiance
 - II. Moment of Silence
 - III. Roll Call
- Reading & disposal of the minutes of the Regular Meeting of Council held January 16, 2018.
Reports, legislation and communications from Members of Council, the Mayor and other City Officials.

****OLD BUSINESS****

1. Committee of the Whole Reports regarding Committee Meetings of 1/22/18 (submitted – Pg. 8) and 2/5/18 (To be Provided)
2. **ORDINANCE NO. 34-17** – AN ORDINANCE to take effect immediately provided it receives the affirmative vote of at least five members of Council, or otherwise to take effect at the earliest period allowed by law, amending Section 1103.02(zz), Definitions (Outdoor/Seasonal Dining Facility), of the Codified Ordinances of the City of Lakewood in order to further clarify an outdoor dining space. (1st READING & referred to the COMMITTEE OF THE WHOLE & PLANNING COMMISSION 9/18/17, 2ND READING 10/2/17, REPORTED OUT FROM PLANNING COMMISSION AND DEFERRED 11/20/17) (Pg. 9)
3. **ORDINANCE NO. 36-17** – AN ORDINANCE to take effect at the earliest period allowed by law, amending various sections and enacting new chapters of the Zoning Code of the Codified Ordinances of the City of Lakewood in order to further clarify and regulate parking plan review in the City. (1ST READING & REFERRED TO THE COMMITTEE OF THE WHOLE 10/16/17, 2ND READING 11/6/17) (Pg. 11)
4. **RESOLUTION NO. 8976-18** - A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing Ray Cushing to the Audit Committee to a two year term beginning January 1, 2018 and ending December 31, 2019. (**PLEASE SUBSTITUTE** for RESOLUTION 8976-18 REFERRED TO THE COMMITTEE OF THE WHOLE 1/16/18) (Pg. 16)
5. **RESOLUTION 8977-18** - A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing Michelle McCue to the Audit Committee to a two year term beginning January 1, 2018 and ending December 31, 2019. (**PLEASE SUBSTITUTE** for RESOLUTION 8977-18 REFERRED TO THE COMMITTEE OF THE WHOLE 1/16/18) (Pg. 17)
6. **RESOLUTION NO. 8979-18** - A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing Chris Bindell to the Board of Zoning Appeals for the five year term beginning January 1, 2018 and ending December 31, 2022. (**PLEASE**

SUBSTITUTE for RESOLUTION 8979-18 REFERRED TO THE COMMITTEE OF THE WHOLE 1/16/18) (Pg. 18)

7. **RESOLUTION NO. 8978-18** -A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing _____ to the Board of Nuisance Abatement Appeals for the three year term beginning January 1, 2018 and ending December 31, 2020. (REFERRED TO THE COMMITTEE OF THE WHOLE 1/16/18) (19)
8. **RESOLUTION NO. 8980-18** - A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing (first appointee) to the Community Reinvestment Area Housing Council for the three year term beginning January 1, 2018 and ending December 31, 2020. (REFERRED TO THE COMMITTEE OF THE WHOLE 1/16/18) (Pg. 20)
9. **RESOLUTION NO. 8981-18** - A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing (second appointee) to the Community Reinvestment Area Housing Council for the three year term beginning January 1, 2018 and ending December 31, 2020. (REFERRED TO THE COMMITTEE OF THE WHOLE 1/16/18) (Pg. 21)
10. **RESOLUTION 8982-18** - A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing Councilmember _____ to serve as ex-officio member of the Foundation Planning Task Force. (REFERRED TO THE COMMITTEE OF THE WHOLE 1/16/18) (Pg. 22)
11. **RESOLUTION NO. 8983-18** - A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing _____ as the ex-officio, non-voting councilmember to the Lakewood Animal Safety and Welfare Advisory Board, for the two year term beginning January 1, 2018 and ending December 31, 2019. (REFERRED TO THE COMMITTEE OF THE WHOLE 1/16/18) (Pg. 23)
12. Public Works Committee Report regarding January 22, 2018 Report. (Pg.) Rader; Chair. (Pg. 24)

13. **RESOLUTION No. 8973-17** – A RESOLUTION to take effect immediately provided it receive the affirmative vote of at least five members of Council or otherwise to take effect and be in force after the earliest period allowed by law, appropriating \$337,000.00 and authorizing the Mayor to enter into an agreement which will allow the City of Lakewood to participate in the resurfacing of Riverside Drive (SR237) from 215 feet North of Riverway Drive to 265 feet North of West Clifton Boulevard in the City of Lakewood with the Ohio Department of Transportation. (Pg. 25)
14. Housing Committee Report regarding Ordinances 2-18 & 3-18. (To Be provided) – Anderson; Chair.
15. **ORDINANCE NO. 2-18** – AN ORDINANCE amending various parts of Chapter 1306, Property Maintenance and Safety Code...(light pollution) (REFERRED TO THE HOUSING COMMITTEE 1/2/18) (REFERRED TO THE HOUSING COMMITTEE 1/2/18, 2ND READING 1/16/18) (Pg. 44)
16. **ORDINANCE NO. 3-18** – AN ORDINANCE to take effect immediately provided it receives the affirmative vote of at least five members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, authorizing and directing the Director of Planning and Development or the Mayor to enter into an agreement with Payne and Payne Custom Builders, Inc. for the sale of 2107 Robin Street, Lakewood, Ohio (PPN#315-22-074) and 2111 Robin Street, Lakewood, Ohio (PPN#315-22-120, pursuant to Section 155.07 of the Codified Ordinances. (REFERRED TO HOUSING COMMITTEE 1/2/18, 2ND READING 1/16/18) (Pg. 46)
17. Liquor Permit Notice of a New D1 permit type to LBM 12301 Madison Avenue. (Deferred 1/15/18) (Pg. 58)

******NEW BUSINESS******

18. Communication from Councilmember Rader and Council President O'Leary regarding Resolution in Support of County Plastic Bag Fee Ordinance. (Pg. 59)
19. **RESOLUTION NO. 8984-18** – A RESOLUTION supporting the adoption of proposed Ordinance No. 02017-0006 by the County Council of Cuyahoga County; an ordinance creating a \$.10 fee to be charged for disposable plastic bags, countywide. (Pg. 60)
20. Communication from Councilmember George regarding Citizens Advisory Committee Appointment: Michael Bentley. (Pg. 201)

21. Communication from Councilmember O'Malley regarding Resolution supporting the Ohio Fairness Act. (Pg. 62)
22. **RESOLUTION NO. 8985-18** – A RESOLUTION supporting the Ohio Fairness Act. (Pg. 63)
23. Communication from Councilmember O'Malley regarding Ordinance amending housing license requirements for condominium rental property. (Pg. 202)
24. **ORDINANCE NO. 18-18** – AN ORDINANCE amending Section 1306.43, Housing and Vacant Property License, and Section 1306.44, License Application Form and Fee, of the Codified Ordinances of the City of Lakewood in order to update the code with respect to the regulation of condominium associations and unit owners in the City. (Pg. 203)
25. Communication from Mayor Summers regarding Keep Lakewood Beautiful Board Members. (Pg. 64)
26. Communication from Mayor Summers regarding NOPEC Grant Award Documentation & Acceptance. (Pg. 65)
27. **RESOLUTION NO. 8986-18** – A RESOLUTION to take effect immediately provided it receives the vote of at least two thirds of the members of Council, or otherwise to take effect at the earliest period allowed by law, authorizing the City of Lakewood to take all actions necessary to accept Northeast Ohio Public Energy Council (NOPEC) Energized Community Grant(s). (Pg. 66)
28. Communication from Finance Director Pae regarding Income Tax Ordinance Amendments. (Pg. 75)
29. **ORDINANCE NO. 4-18** – AN ORDINANCE to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council to adopt 128.22 through 128.2215 of the Codified Ordinances as mandated by the state legislature to authorize state officials to collect and administer municipal net profit taxes. (Pg. 76)
30. Communication from Law Director Butler regarding Ordinance adding formerly chartered street establishment, naming and vacation provision to the Code following passage of Third Amended Charter. (Pg. 98)

31. **ORDINANCE NO. 5-18** - AN ORDINANCE to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council ENACTING Sections 131.01, Provisions, Alteration, Dedication and Vacation of Streets and 131.02, Board of Revision of Assessments, and amending Section 107.11, Notice of Public Hearing, of the Codified Ordinances of the City of Lakewood in order to codify certain provisions related to the establishment, naming and vacation of streets. (Pg. 99)
32. Communication from Law Director Butler regarding Ordinance revising Planning Commission voting requirements in the Code following passage of Third Amended Charter. (Pg. 104)
33. **ORDINANCE NO. 6-18** – AN ORDINANCE amending Section 1134.03, Procedures for Identification, Nomination and Designation of an HPD or HP, of the Codified Ordinances of the City of Lakewood in order to adjust the voting requirements of the Planning Commission based upon its new composition under the Third Amended Charter. (Pg. 105)
34. Communication from Finance Director Pae regarding 2018 Bond Anticipation Notes in an amount not to exceed \$32.287 million and 2018 Municipal Capital Lease in an amount not to exceed \$1.5 million. (Pg. 107)
35. **ORDINANCE NO. 7-18**- AN ORDINANCE authorizing the issuance of special obligation income tax revenue notes in the amount not to exceed \$21,687,000 in anticipation of the issuance of bonds to pay costs of 2016 & 2017 issued one year Bond Anticipation Notes. (Pg. 108)
36. **ORDINANCE NO. 8-18** – AN ORDINANCE authorizing issuance of special obligation Income Tax Revenue Notes not to exceed \$160,000 for City Parking Lot Resurfacing. (Pg. 117)
37. **ORDINANCE NO. 9-18** – AN ORDINANCE authorizing the issuance of special obligation income tax revenue notes not to exceed \$375,000 for Police Firing Range. (Pg. 126)
38. **ORDINANCE NO. 10-18** – AN ORDINANCE authorizing the issuance of special obligation income tax revenue notes not to exceed \$375,000 for Parks Improvements. (Pg. 135)
39. **ORDINANCE NO. 11-18** – AN ORDINANCE authorizing the issuance of special obligation income tax revenue notes not to exceed \$475,000 for Municipal Building Roof Improvements. (Pg. 144)

40. **ORDINANCE NO. 12-18** – AN ORDINANCE authorizing the issuance of special obligation income tax revenue notes not to exceed \$700,000 for Sidewalk Improvements. (Pg. 153)
41. **ORDINANCE NO. 13-18** – AN ORDINANCE authorizing the issuance of special obligation income tax revenue notes not to exceed \$1,325,000 for Lake Avenue Improvements (Belle Avenue. To W. 117th.) (Pg. 162)
42. **ORDINANCE NO. 14-18** – AN ORDINANCE authorizing the issuance of special obligation income tax revenue notes not to exceed \$2,315,500 for Water Line Replacements. (Pg. 171)
43. **ORDINANCE NO. 15-18** - AN ORDINANCE authorizing the issuance of special obligation income tax revenue notes not to exceed \$2,375,000 for Sewer Improvements. (Pg. 180)
44. **ORDINANCE NO. 16-18** - AN ORDINANCE authorizing the issuance of special obligation income tax revenue notes not to exceed \$2,500,000 for Wastewater Treatment Plan Digester Improvements. (Pg. 189)
45. **ORDINANCE NO. 17-18** – AN ORDINANCE to take effect immediately provided it receives the affirmative vote of two thirds members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, authorizing the Director of Finance to enter into Equipment Leases in forms approved by the Director of Law on behalf of the City of Lakewood. (“City”). (Pg. 198)



12650 DETROIT AVENUE 44107 216/529-6055 FAX 216/226-3650

www.onelakewood.com

Lakewood City Council

SAMUEL T. O'LEARY, PRESIDENT

DAVID ANDERSON, VICE PRESIDENT

Council at Large
THOMAS R. BULLOCK III
MEGHAN GEORGE
TRISTAN RADER

Ward Council
DAVID W. ANDERSON, WARD 1
SAM O'LEARY, WARD 2
JOHN LITTEN, WARD 3
DANIEL O'MALLEY, WARD 4

February 5, 2018

Lakewood City Council
Lakewood, OH 44107

Re: January 22nd 2018 Committee of the Whole Report

Dear Colleagues,

The Committee of the Whole met January 22, 2018. Present were Councilmembers Anderson, George, Litten, O'Leary and Rader, Planning Director Sylvester, and two members of the public. Councilmember O'Malley's absence was excused.

The Committee considered two ordinances proposing changes to the Zoning Code. The first was Ordinance 34-17 which addresses regulations around outdoor dining. Our current Code requires that all outdoor dining be located in one contiguous location at a restaurant. Proposed Ordinance 34-17 eliminates this requirement and allows restaurants to set up outdoor dining in multiple locations on their property so long as the total number of outdoor seats does not exceed 25% of the total number of approved indoor seats per the Code. Director Sylvester reported that Planning Commission reviewed the ordinance and expressed no objection. The Committee identified a minor typo to be corrected in the final version. After a brief discussion, the Committee moved to recommend adoption of Ordinance 34-17 to full Council.

Next, the Committee addressed Ordinance 36-17 which proposes to charge a \$150 fee for the submittal of a parking plan to Planning Commission. Director Sylvester expressed that the Planning Department believes that such a fee is appropriate to account for the staff time and effort required to review a parking plan. Furthermore, all other permits and plans submitted to the Planning Commission have fees attached. After a brief discussion, the Committee moved to recommend adoption of Ordinance 36-17 to full Council. I move to receive and file this report.

Respectfully Submitted,

Sam O'Leary
President of Council - Ward 2
Committee of the Whole, Chair

ORDINANCE NO. 34-17

BY:

AN ORDINANCE to take effect immediately provided it receives the affirmative vote of at least five members of Council, or otherwise to take effect at the earliest period allowed by law, amending Section 1103.02(zz), Definitions (Outdoor/Seasonal Dining Facility), of the Codified Ordinances of the City of Lakewood in order to further clarify an outdoor dining space.

WHEREAS, recently the Planning Commission has reviewed proposals for additional outdoor dining space where a business has an existing outdoor dining facility; and

WHEREAS, these proposals have been consistent with the intent of the code, but the code neither permits nor prohibits more than one outdoor dining space on a site; and

WHEREAS, it is appropriate to further define the intent to clearly allow more than one outdoor dining space where all other areas of the code are met and the site is conducive to more than one outdoor dining space; and

WHEREAS, pursuant to the Constitution of the State of Ohio and the Ohio Revised Code, municipalities have the power of local self-government; and

WHEREAS, pursuant to the Constitution of the State of Ohio and the Ohio Revised Code, municipalities have the power to enact laws that are for the health, safety, welfare, comfort and peace of the citizens of the municipality; and

WHEREAS, this Council by a vote of at least five of its members determines that this ordinance is an emergency measure and that it shall take effect immediately, as set forth in Article III, Sections 10 and 13 of the Second Amended Charter of the City of Lakewood, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments, in that it is in the best interest of the City to ensure that the spirit of the code is correctly defined within the code; now, therefore

BE IT ORDAINED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Section 1103.02(zz), Definitions (Outdoor/Seasonal Dining Facility), of the Lakewood Codified Ordinances, currently reading as follows:

1103.02 Definitions

(zz) **OUTDOOR/SEASONAL DINING FACILITY** means an outdoor dining area or an area wherein twenty-five percent (25%) or more

of any exterior wall is movable and is connected or attached to an indoor restaurant, bar, tavern or nightclub.

shall be and hereby is repealed, and new Section 1103.02(zz), Definitions (Outdoor/Seasonal Dining Facility), of the Lakewood Codified Ordinances is enacted to read as follows:

1103.02 Definitions

(zz) **OUTDOOR/SEASONAL DINING FACILITY** means an outdoor dining area or an area wherein twenty-five percent (25%) or more of any exterior wall is movable and is connected or attached to an indoor restaurant, bar, tavern or nightclub. An Outdoor/Seasonal Dining Facility also includes any combination of outdoor dining areas or areas wherein twenty-five percent (25%) or more of any exterior wall is moveable and is connected or attached to an indoor restaurant, bar, tavern or nightclub.

Section 2. It is found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were adopted in an open meeting of this Council and that all such deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 3. This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in its preamble, and provided it receives the affirmative vote of at least five members of Council this ordinance shall take effect and be in force immediately, or otherwise it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR

ORDINANCE NO. 36-17

BY:

AN ORDINANCE to take effect at the earliest period allowed by law, amending various sections and enacting new chapters of the Zoning Code of the Codified Ordinances of the City of Lakewood in order to further clarify and regulate parking plan review in the City.

WHEREAS, the Zoning Code of the Codified Ordinances of the City of Lakewood stands to be updated to further clarify and regulate parking plan review in the City; and

WHEREAS, pursuant to the Constitution of the State of Ohio and the Ohio Revised Code, municipalities have the power of local self-government; and

WHEREAS, pursuant to the Constitution of the State of Ohio and the Ohio Revised Code, municipalities have the power to enact laws that are for the health, safety, welfare, comfort and peace of the citizens of the municipality; now, therefore

BE IT ORDAINED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Section 1143.09, Parking Plan Review; Planning Commission, currently reading as follows:

1143.09 PARKING PLAN REVIEW: PLANNING COMMISSION.

The Commission shall review applications for parking plans that do not meet the set schedule in 1143.05. In addition to Section 1143.09 and Section 1143.10, the Commission may consider the following when reviewing an application:

- (a) Impact on central character of residential neighborhoods taking on overflow parking;
- (b) Available surface parking lots in the neighborhood that could be used for shared parking;
- (c) Similarly scaled projects throughout the City to compare parking footprint;
- (d) When a restaurant use is proposed, the total number of tables to parking spaces:
- (e) Total number of employees;
- (f) Alternative forms of transportation available in the neighborhood;
- (g) Implementation of bicycle facilities, including but not limited to, bicycle racks, covered bicycle parking, and shower facilities for employees;
- (h) Peak demand for parking spaces from all uses compared to the total supply of spaces:
- (i) Traffic impact analysis and/or a traffic demand study;
- (j) For uses defined as Institutional or Public Assembly in Schedule 1143.05, the following guidelines:
 - (1) One space for each 80 square feet of all auditoria and public assembly rooms: and

(2) One space for each employee.

is hereby repealed, and new Section 1143.09, Parking Plan Review; Planning Commission, is hereby enacted to read as follows:

1143.09 PARKING PLAN REVIEW: PLANNING COMMISSION.

(a) The Commission shall review applications for parking plans that do not meet the set schedule in 1143.05. In addition to Section 1143.09 and Section 1143.10, the Commission may consider the following when reviewing an application:

(a1) Impact on central character of residential neighborhoods taking on overflow parking;

(b2) Available surface parking lots in the neighborhood that could be used for shared parking;

(c3) Similarly scaled projects throughout the City to compare parking footprint;

(d4) When a restaurant use is proposed, the total number of tables to parking spaces;

(e5) Total number of employees;

(f6) Alternative forms of transportation available in the neighborhood;

(g7) Implementation of bicycle facilities, including but not limited to, bicycle racks, covered bicycle parking, and shower facilities for employees;

(h8) Peak demand for parking spaces from all uses compared to the total supply of spaces;

(i9) Traffic impact analysis and/or a traffic demand study;

(j10) For uses defined as Institutional or Public Assembly in Schedule 1143.05, the following guidelines:

(1A.) One space for each 80 square feet of all auditoria and public assembly rooms; and

(2B.) One space for each employee.

(b) The fees for parking plan applications shall be pursuant to Section 1173.06.

Section 2. Section 1173.06, Fees, currently reading as follows:

1173.06 FEES.

(a) Fee for an application for:

(1) Variance	
A. Residential:	\$25.00
B. Commercial:	\$50.00
(2) Similar Use	
A. Residential:	\$25.00
B. Commercial:	\$50.00
(3) Conditional Use	
A. Residential:	\$75.00
B. Commercial:	\$150.00

C. Mixed Use Overlay District:	\$250.00
(4) HPD and HP Designation	
A. Residential	\$25.00
B. Commercial:	\$50.00
(b) Minor Subdivision:	\$200.00
(c) Lot Consolidation:	\$200.00
(d) Lot Split:	\$200.00
(e) Major Subdivision:	\$400.00
(f) Planned Development:	\$500.00

(g) Fee for an application for an amendment to the Zoning Ordinance by a property owner shall be \$500.00. It shall be submitted to the Secretary of the Planning Commission who shall convey the \$500.00 to the Finance Department for a receipt.

(h) Certificate of Occupancy	
(1) Residential:	\$50.00
(2) Commercial:	\$75.00
(i) Other	
(1) Boutique:	\$25.00
(2) Fences:	\$25.00
(3) Satellite dish antenna:	\$10.00 per antenna

(4) Wireless telecommunication tower, facilities and antennas:

A. New wireless telecommunication tower and related facility - \$1,500.00 deposit upon which expenses incurred by the City will be drawn and the balance, if any, returned to the applicant upon final inspection prior to authorization of commencement of the use.

B. New wireless telecommunication antenna and related facilities (without tower) - \$500.00

C. Annual inspection fee - \$100.00

D. Reimbursement of expenses - The applicant for a wireless telecommunication tower and/or antenna facility shall be responsible for all expenses incurred by the City for any technical and/or engineering services deemed necessary by the Director, the Commissioner, the Commission, the Board or the Architectural Review Board to perform the reviews required by Chapter 1159 which are not covered by the fees set forth in subsection (4) of this Section 1173.06.

is hereby repealed, and new Section 1173.06, Fees, is hereby enacted to read as follows:

1173.06 FEES.

(a) Fee for an application for:

(1) Variance	
A. Residential:	\$25.00

B. Commercial:	\$50.00
(2) Similar Use	
A. Residential:	\$25.00
B. Commercial:	\$50.00
(3) Conditional Use	
A. Residential:	\$75.00
B. Commercial:	\$150.00
C. Mixed Use Overlay District:	\$250.00
(4) HPD and HP Designation	
A. Residential	\$25.00
B. Commercial:	\$50.00
(b) Minor Subdivision:	\$200.00
(c) Lot Consolidation:	\$200.00
(d) Lot Split:	\$200.00
(e) Major Subdivision:	\$400.00
(f) Planned Development:	\$500.00
(g) Parking Plan Review:	<u>\$150.00</u>

(gh) Fee for an application for an amendment to the Zoning Ordinance by a property owner shall be \$500.00. It shall be submitted to the Secretary of the Planning Commission who shall convey the \$500.00 to the Finance Department for a receipt.

(hi) Certificate of Occupancy	
(1) Residential:	\$50.00
(2) Commercial:	\$75.00
(ij) Other	
(1) Boutique:	\$25.00
(2) Fences:	\$25.00
(3) Satellite dish antenna:	\$10.00 per antenna

(4) Wireless telecommunication tower, facilities and antennas:

A. New wireless telecommunication tower and related facility - \$1,500.00 deposit upon which expenses incurred by the City will be drawn and the balance, if any, returned to the applicant upon final inspection prior to authorization of commencement of the use.

B. New wireless telecommunication antenna and related facilities (without tower) - \$500.00

C. Annual inspection fee - \$100.00

D. Reimbursement of expenses - The applicant for a wireless telecommunication tower and/or antenna facility shall be responsible for all expenses incurred by the City for any technical and/or engineering services deemed necessary by the Director, the Commissioner, the Commission, the Board or the Ar-

chitectural Review Board to perform the reviews required by Chapter 1159
which are not covered by the fees set forth in subsection (j)(4) of this Section
1173.06.

Section 3. It is found and determined that all formal actions of this Council concerning
and relating to the passage of this ordinance were adopted in an open meeting of this Council and
that all such deliberations of this Council and of any of its committees that resulted in such for-
mal action were in meetings open to the public in compliance with all legal requirements.

Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR

RESOLUTION NO. 8976-18

BY:

A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing Ray Cushing to the Audit Committee to a two year term beginning January 1, 2018 and ending December 31, 2019.

WHEREAS, an expiring term has caused a vacancy on the Audit Committee for the full term beginning January 1, 2018 in a seat occupied by a Council appointee, thus requiring an appointment to the committee; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this resolution is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments, in that the position to be occupied by this appointee is vacant; now, therefore

BE IT RESOLVED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Council appoints Ray Cushing to the Audit Committee for a two year term beginning January 1, 2018 and ending December 31, 2019.

Section 2. It is found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were passed in open meetings of this Council and that all deliberations of this Council and any of its committees that resulted in such actions were in meetings open to the public and in compliance with legal requirements.

Section 3. This resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this ordinance, and provided it receives the affirmative vote of at least two thirds of the members of Council, this resolution shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor, or otherwise it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR

RESOLUTION NO. 8977-18

BY:

A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing Michelle McCue to the Audit Committee to a two year term beginning January 1, 2018 and ending December 31, 2019.

WHEREAS, an expiring term has caused a vacancy on the Audit Committee for the full term beginning January 1, 2018 in a seat occupied by a Council appointee, thus requiring an appointment to the committee; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this resolution is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments, in that the position to be occupied by this appointee is vacant; now, therefore

BE IT RESOLVED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Council appoints Michelle McCue to the Audit Committee for a two year term beginning January 1, 2018 and ending December 31, 2019.

Section 2. It is found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were passed in open meetings of this Council and that all deliberations of this Council and any of its committees that resulted in such actions were in meetings open to the public and in compliance with legal requirements.

Section 3. This resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this ordinance, and provided it receives the affirmative vote of at least two thirds of the members of Council, this resolution shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor, or otherwise it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR

RESOLUTION NO. 8979-18

BY:

A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing Chris Bindel to the Board of Zoning Appeals for the five year term beginning January 1, 2018 and ending December 31, 2022.

WHEREAS, the end of a term has caused a vacancy on the Board of Nuisance Abatement Appeals beginning January 1, 2018, in a seat occupied by a Council appointee, thus requiring an appointment to the board; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this resolution is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments, in that the position to be occupied by this appointee is vacant; now, therefore

BE IT RESOLVED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Council appoints Chris Bindel to the Board of Zoning Appeals for the five year term beginning January 1, 2018 and ending December 31, 2022.

Section 2. It is found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were passed in open meetings of this Council and that all deliberations of this Council and any of its committees that resulted in such actions were in meetings open to the public and in compliance with legal requirements.

Section 3. This resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this ordinance, and provided it receives the affirmative vote of at least two thirds of the members of Council, this resolution shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor, or otherwise it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR

RESOLUTION NO. 8978-18

BY:

A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing _____ to the Board of Nuisance Abatement Appeals for the three year term beginning January 1, 2018 and ending December 31, 2020.

WHEREAS, the end of a term has caused a vacancy on the Board of Nuisance Abatement Appeals beginning January 1, 2018, in a seat occupied by a Council appointee, thus requiring an appointment to the board; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this resolution is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments, in that the position to be occupied by this appointee is vacant; now, therefore

BE IT RESOLVED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Council appoints _____ to the Board of Nuisance Abatement Appeals for the three year term beginning January 1, 2018 and ending December 31, 2020.

Section 2. It is found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were passed in open meetings of this Council and that all deliberations of this Council and any of its committees that resulted in such actions were in meetings open to the public and in compliance with legal requirements.

Section 3. This resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this ordinance, and provided it receives the affirmative vote of at least two thirds of the members of Council, this resolution shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor, or otherwise it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR

RESOLUTION NO. 8980-18

BY:

A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing (first appointee) to the Community Reinvestment Area Housing Council for the three year term beginning January 1, 2018 and ending December 31, 2020.

WHEREAS, the end of a term has caused a vacancy on the Board of Nuisance Abatement Appeals beginning January 1, 2018, in a seat occupied by a Council appointee, thus requiring an appointment to the board; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this resolution is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments, in that the position to be occupied by this appointee is vacant; now, therefore

BE IT RESOLVED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Council appoints (first appointee) to the Community Reinvestment Area Housing Council for the three year term beginning January 1, 2018 and ending December 31, 2020.

Section 2. It is found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were passed in open meetings of this Council and that all deliberations of this Council and any of its committees that resulted in such actions were in meetings open to the public and in compliance with legal requirements.

Section 3. This resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this ordinance, and provided it receives the affirmative vote of at least two thirds of the members of Council, this resolution shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor, or otherwise it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR

RESOLUTION NO. 8981-18

BY:

A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing (second appointee) to the Community Reinvestment Area Housing Council for the three year term beginning January 1, 2018 and ending December 31, 2020.

WHEREAS, the end of a term has caused a vacancy on the Board of Nuisance Abatement Appeals beginning January 1, 2018, in a seat occupied by a Council appointee, thus requiring an appointment to the board; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this resolution is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments, in that the position to be occupied by this appointee is vacant; now, therefore

BE IT RESOLVED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Council appoints (second appointee) to the Community Reinvestment Area Housing Council for the three year term beginning January 1, 2018 and ending December 31, 2020.

Section 2. It is found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were passed in open meetings of this Council and that all deliberations of this Council and any of its committees that resulted in such actions were in meetings open to the public and in compliance with legal requirements.

Section 3. This resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this ordinance, and provided it receives the affirmative vote of at least two thirds of the members of Council, this resolution shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor, or otherwise it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR

RESOLUTION NO. 8982-18

BY:

A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing Councilmember _____ to serve as ex-officio member of the Foundation Planning Task Force.

WHEREAS, by previous resolution, Council created the Foundation Planning Task Force pursuant to Article IV of the Master Agreement among the City of Lakewood, Lakewood Hospital Association, and the Cleveland Clinic Foundation, dated December 21, 2015; and

WHEREAS, in addition to the appointees of individual councilmember, Council's two collective appointment and the Mayor's appointees, Council may appoint a representative from among councilmembers to attend task force meetings as a non-voting member; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this resolution is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments, in that the position to be occupied by this appointee is vacant; now, therefore

BE IT RESOLVED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Council appoints Councilmember _____ to serve as ex-officio member of the Foundation Planning Task Force.

Section 2. It is found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were passed in open meetings of this Council and that all deliberations of this Council and any of its committees that resulted in such actions were in meetings open to the public and in compliance with legal requirements.

Section 3. This resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this ordinance, and provided it receives the affirmative vote of at least two thirds of the members of Council, this resolution shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor, or otherwise it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

PRESIDENT

CLERK

RESOLUTION NO. 8983-18

BY:

A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appointing _____ as the ex-officio, non-voting councilmember to the Lakewood Animal Safety and Welfare Advisory Board, for the two year term beginning January 1, 2018 and ending December 31, 2019.

WHEREAS, Council is obligated to appoint an ex-officio, non-voting member of Council to the Lakewood Animal Safety and Welfare Advisory Board, in accordance with Section 146.02 of the Lakewood Codified Ordinances; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this resolution is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments, in that the position to be occupied by this appointee is vacant; now, therefore

BE IT RESOLVED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Council appoints _____ as the ex-officio, non-voting councilmember to the Lakewood Animal Safety and Welfare Advisory Board, for the two year term beginning January 1, 2018 and ending December 31, 2019.

Section 2. It is found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were passed in open meetings of this Council and that all deliberations of this Council and any of its committees that resulted in such actions were in meetings open to the public and in compliance with legal requirements.

Section 3. This resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this ordinance, and provided it receives the affirmative vote of at least two thirds of the members of Council, this resolution shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor, or otherwise it shall take effect and be in force after the earliest period allowed by law.

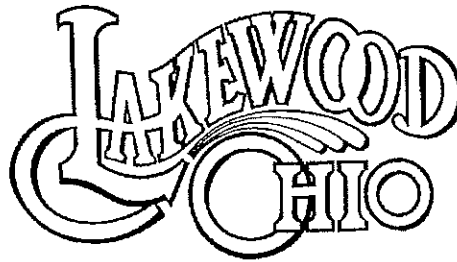
Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR



12650 DETROIT AVENUE 44107 216/529-6055 FAX 216/226-3650

www.onelakewood.com

Lakewood City Council

SAMUEL T. O'LEARY, PRESIDENT

DAVID ANDERSON, VICE PRESIDENT

Council at Large
THOMAS R. BULLOCK III
MEGHAN GEORGE
TRISTAN RADER

Ward Council
DAVID W. ANDERSON, WARD 1
SAM O'LEARY, WARD 2
JOHN LITTEN, WARD 3
DANIEL O'MALLEY, WARD 4

February 5, 2018

Lakewood City Council
Lakewood, OH 44107

Re: January 22nd 2018 Public Works Committee Report

Dear Colleagues,

The Public Works Committee met January 22, 2018. All members of the Committee were present as were Councilmember O'Leary, Director Beno and one member of the public. The Committee considered Resolution 8973-17 which provides funding and approval to enter into an agreement with the Ohio Department of Transportation (ODOT) for the resurfacing of a portion of Riverside Drive from approximately West Clifton to Riverway Drive.

Director Beno explained the structure of the project to the Committee. The total cost of the project is estimated to be \$337,000 and the ODOT-eligible work is valued at \$260,000. Under the terms of the agreement ODOT will pay 85% of eligible costs, or \$221,000. The City's anticipated cost will be \$116,000. The agreement between the City and ODOT is routine and standard for this type of project.

Plans for this project have been in the works for approximately two years. If approved, design will be completed by the end of 2018 and construction will begin in 2019. After some brief discussion and the opportunity to have Director Beno address Councilmembers' questions on the project the Committee moved to recommend adoption of Resolution 8973-17 to full Council.

I move to receive and file this report.

Sincerely,

Tristan Rader
Council Member At-Large

RESOLUTION NO. 8973-17

BY:

A RESOLUTION to take effect immediately provided it receives the affirmative vote of at least five members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, appropriating \$337,000.00 and authorizing the Mayor to enter into an agreement which will allow the City of Lakewood to participate in the resurfacing of Riverside Drive (SR 237) from 215 feet North of Riverway Drive to 265 feet North of West Clifton Boulevard in the City of Lakewood with the Ohio Department of Transportation.

WHEREAS, the City shall cooperate with the Director of Transportation in the above-described project by assuming and bearing 100 percent of the entire cost of the improvement within city limits, less the amount of Federal-aid NOACA funds set aside by the Director of Transportation for the financing of this improvement from funds allocated by the Federal Highway Administration, U.S. Department of Transportation; and assuming and bearing 100 percent of the cost of preliminary engineering and right of way charges, excluding in-house preliminary engineering and right of way charges, incurred by the State; and

WHEREAS, the share of the cost of the Lakewood is now estimated in the amount of \$337,000.00, but said estimated amount is to be adjusted in order that the City's ultimate share of said improvement shall correspond with said percentages of actual costs when said actual costs are determined; and

WHEREAS, the Director of Transportation has approved said legislation proposing cooperation and has caused to be made plans and specifications and an estimate of cost and expense for improving the above described highway and has transmitted copies of the same to this legislative authority; and

WHEREAS, the City desires the Director of Transportation to proceed with the aforesaid highway improvement; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this resolution is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments and for the scheduling of street improvement projects; now, therefore,

BE IT RESOLVED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. The estimated sum of \$337,000.00 is hereby appropriated for the improvement described above and the fiscal officer is hereby authorized and directed to issue an order on the treasurer for said sum upon the requisition of the Director of Transportation to pay the cost and expense of said improvement. Lakewood hereby agrees to assume in the first instance, the share of the cost and expense over and above the amount to be paid from federal funds.

Section 2. Lakewood hereby requests the Director of Transportation to proceed with the aforesaid highway improvement.

Section 3. The Mayor is hereby authorized to enter into an agreement, attached as Exhibit "A", on behalf of Lakewood, with the state providing for the payment of the sum of money set forth herein above for improving the described project.

Section 4. The Clerk of Council is hereby directed to transmit a certified copy of this legislation to the Director of Transportation.

Section 5. It is found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were adopted in an open meeting of this Council, and that all such deliberation of the Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 6. This resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this resolution, and provided it receives the affirmative vote of at least two thirds of the members of Council, this resolution shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor, or otherwise it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

President of Council

Clerk of Council

Approved: _____

Mayor

CUY-SR237-12.66
PID 104243
AGR. NO. 31542
DUNS NO. 020629093

Rev. 1/18/2017

CFDA 20.205

LPA FEDERAL LOCAL-LET PROJECT AGREEMENT

THIS AGREEMENT is made by and between the State of Ohio, Department of Transportation, hereinafter referred to as ODOT, 1980 West Broad Street, Columbus, Ohio 43223 and the City of **Lakewood, Ohio**, hereinafter referred to as the LPA, **12650 Detroit Ave, Lakewood, Ohio 44107**.

1. PURPOSE

- 1.1 The National Transportation Act has made available certain Federal funding for use by local public agencies. The Federal Highway Administration (hereinafter referred to as FHWA) designated ODOT as the agency in Ohio to administer FHWA's Federal funding programs.
- 1.2 Section 5501.03 (D) of the **Ohio Revised Code** (hereinafter referred to as ORC) provides that ODOT may coordinate its activities and enter into contracts with other appropriate public authorities to administer the design, qualification of bidders, competitive bid letting, construction, inspection, and acceptance of any projects administered by ODOT, provided the administration of such projects is performed in accordance with all applicable Federal and State laws and regulations with oversight by ODOT.
- 1.3 The **CUY-SR 237-12.66 - (PID 104243)** (hereinafter referred to as the PROJECT) is a transportation activity eligible to receive Federal funding, and which is further defined in the PROJECT scope.
- 1.4 The purpose of this Agreement is to set forth requirements associated with the Federal funds available for the PROJECT and to establish the responsibilities for the local administration of the PROJECT.

2. LEGAL REFERENCES

- 2.1 This Agreement is authorized and/or governed by the following statutes and/or policies, which are incorporated, by reference, in their entirety:
 - a. Section 5501.03(D) of the ORC;
 - b. ODOT Locally Administered Transportation Projects, Manual of Procedures;
 - c. National Transportation Act, Title 23, U.S.C.; 23 CFR 635.105;
 - d. State of Ohio Department of Transportation Construction and Material Specifications Manual (applicable to dates of PROJECT);
 - e. 2 CFR Part 200; and
 - f. Federal Funding Accountability and Transparency Act (FFATA)
- 2.2 The LPA shall comply with all applicable Federal and State laws, regulations, executive orders, and applicable ODOT manuals and guidelines. This obligation is in addition to compliance with any law, regulation, or executive order specifically referenced in this Agreement.

3. FUNDING

- 3.1 The total cost for the PROJECT is estimated to be **\$260,000** as set forth in Attachment 1.

ODOT shall provide to the LPA, **85** percent of the eligible Construction costs up to a maximum of **\$221,000** which includes **80** percent Federal (4PF7) funds up to a maximum of **\$208,000** and **5** percent State (4PS7) funds up to a maximum of **\$13,000**.

This maximum amount reflects the funding limits for the PROJECT set by the applicable Program Manager. Unless otherwise provided, funds through ODOT shall be applied only to the eligible costs associated with the actual construction of the transportation project improvements and construction engineering/ inspection activities.

- 3.2 The LPA shall provide all other financial resources necessary to fully complete the PROJECT, including all 100 percent Locally-funded work, cost overruns and contractor claims.

4. PROJECT DEVELOPMENT AND DESIGN

- 4.1 The LPA and ODOT agree that the LPA is qualified to administer this PROJECT and is in full compliance with all LPA participation requirements.
- 4.2 The LPA and ODOT agree that the LPA has received funding approval for the PROJECT from the applicable ODOT Program Manager having responsibility for monitoring such projects using the Federal funds involved.
- 4.3 The LPA shall design and construct the PROJECT in accordance with a recognized set of written design standards. The LPA shall (option one: follow its own formally written set of local design standards or option two) make use of ODOT's Location and Design Manual (L&D), or the appropriate AASHTO publication). Even though the LPA may use its own standards, ODOT may require the LPA to use a design based on the L&D Manual for projects that contain a high crash rate or areas of crash concentrations. Where the LPA has adopted ODOT standards for the PROJECT, the LPA shall be responsible for ensuring that any ODOT standards used for the PROJECT are current and/or updated. The LPA shall be responsible for periodically contacting the ODOT District LPA Coordinator or through the following Internet website for any changes or updates: www.dot.state.oh.us/drrc/Pages/default.aspx
- 4.4 The LPA shall either designate an LPA employee, who is a registered professional engineer, to act as the PROJECT Design Engineer and serve as the LPA's principal representative for attending to PROJECT responsibilities, or engage the services of a pre-qualified ODOT consultant, who has been chosen using a Qualification-Based Selection (QBS) process, as required pursuant to ORC sections 153.65 through 153.71. The pre-qualified list is available on the ODOT website at: www.dot.state.oh.us/DIVISIONS/Engineering/CONSULTANT
- 4.5 If Federal funds are used for a phase of project development and the LPA executes an agreement with a consultant prior to the receipt of the "Authorization" notification from ODOT, ODOT may terminate this Agreement and cease all Federal funding commitments.
- 4.6 ODOT reserves the right to move this PROJECT into a future sale year if the LPA does not adhere to the established PROJECT schedule, regardless of any funding commitments.

5. ENVIRONMENTAL RESPONSIBILITIES

- 5.1 In the administration of this PROJECT, the LPA shall be responsible for conducting any required public involvement events, for preparing all required documents, reports and other supporting materials needed for addressing applicable environmental assessment, for clearance responsibilities for the PROJECT pursuant to the National Environmental Policy Act and related regulations, including the requirements of the National Historic Preservation Act; and for securing all necessary permits.
- 5.2 If the LPA does not have the qualified staff to perform any or all of the respective environmental responsibilities, the LPA shall hire an ODOT Pre-qualified Consultant through a QBS process. The pre-qualified list is available on the ODOT web page at www.dot.state.oh.us/CONTRACT. If the LPA hires a pre-qualified consultant, the LPA shall be responsible for monitoring the consultant's activities and ensuring that the consultant is following all Federal and State laws, regulations, policies, and guidelines.
- 5.3 ODOT shall be responsible for the review of all environmental documents and reports, and shall complete all needed coordination activities with State and Federal regulatory agencies toward securing environmental clearance.
- 5.4 The LPA shall be responsible for assuring compliance with all commitments made as part of the PROJECT's environmental clearance and/or permit requirements during the construction of the project.
- 5.5 The LPA shall require its consultant, selected to prepare a final environmental document pursuant to the requirements of the National Environmental Policy Act, to execute a copy of a disclosure statement specifying that the consultant has no financial or other interest in the outcome of the PROJECT.
- 5.6 The LPA shall provide a letter indicating the proposed Best Management Practices (BMPs) to be utilized for post construction storm water management in accordance with the Ohio EPA National Pollutant Discharge Elimination System (NPDES) Construction General Permit. If no BMPs are proposed, a letter stating concurrence is required from the Ohio EPA.

6. RIGHT OF WAY/ UTILITIES/ RAILROAD COORDINATION

- 6.1 All right-of-way acquisition activities shall be performed by the LPA in accordance with the Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (Public Law 91-646) as amended by 49 CFR Part 24 (hereinafter referred to as Uniform Act), any related Federal regulations issued by the FHWA, and State rules, policies and guidelines issued by ODOT.
- 6.2 If existing and newly-acquired right of way is required for this PROJECT, the LPA shall certify that the all right of way has been acquired in conformity with Federal and State laws, regulations, policies, and guidelines. Per ODOT's Office of Real Estate, any LPA staff who perform real estate functions shall be prequalified. If the LPA does not have the qualified staff to perform any or all of the respective right of way functions, the LPA shall hire an ODOT Pre-qualified Consultant through a QBS process. The LPA shall not hire the same consultant to perform both the appraisal and appraisal review functions. Appraisal review shall be performed by an independent staff or fee reviewer and shall be hired directly by the LPA. Likewise, a consultant hired to perform right of way acquisition work is not permitted to perform both the relocation and relocation review functions. Relocation review shall be performed by an independent staff or fee reviewer.

- 6.3 If the LPA hires a pre-qualified consultant, the LPA shall be responsible for monitoring the consultant's activities and ensuring that the consultant is following all Federal and State laws, regulations, policies, and guidelines.
- 6.4 All relocation assistance activities shall be performed by the LPA in conformity with Federal and State laws, including the Uniform Act, and any related Federal regulations issued by the FHWA, and State rules, policies and guidelines issued by ODOT. The LPA shall not hire a consultant to perform both the relocation and relocation review functions nor shall the LPA hire a sub-consultant for relocation and another sub-consultant for relocation review. Relocation review shall be performed by an independent staff person or independent fee reviewer and shall be hired directly by the LPA.
- 6.5 The LPA shall provide the ODOT District Office with its certification that all right of way property rights necessary for the PROJECT are under the LPA's control, that all right of way has been cleared of encroachments, and that utility facilities have been appropriately relocated or accounted for so as not to interfere with PROJECT construction activities. ODOT shall make use of the LPA's Right of Way Certification, as well as evaluate the LPA's and/or consultant's performance of the PROJECT real estate activities under Titles II and III of the Uniform Act, and, as appropriate, certify compliance to the FHWA. The LPA shall be liable to repay to ODOT all of the Federal funds disbursed to it under this Agreement if the certification of the LPA is found to be in error or otherwise invalid.
- 6.6 In the administration of this PROJECT, the LPA agrees to follow all procedures described in the ODOT Utilities Manual and 23 CFR Part 645. When applicable, the LPA shall enter into a utility relocation agreement with each utility prior to the letting of construction. No reimbursable construction costs shall be incurred by the LPA prior to the receipt of the "Authorization to Advertise" notification from ODOT. If such costs are incurred, ODOT may terminate this Agreement and cease all Federal funding commitments.
- 6.7 The LPA shall submit all subsequent modifications to the design of the PROJECT and/or any disposal of property rights acquired as part of the PROJECT to ODOT and FHWA for approval.
- 6.8 The LPA shall be responsible for any necessary railroad coordination and agreements. The LPA shall comply with the provisions of Title 23 of the Code of Federal Regulations and applicable chapters of the ORC regarding all activities relating to Railroad-Highway projects.
- 6.9 Consistent with sections 10.1 and 10.4 of this agreement, the LPA shall assure that, if any property acquired for this project is subsequently sold for less than fair market value, all Title VI requirements are included in the instrument which transfers the property. Consistent with sections 10.1 and 10.4 of this agreement, the LPA shall assure that if the LPA grants a permit or license for the property acquired for this project that the license or permit require the licensee or permit holder to adhere to all Title VI requirements.
- 7. ADVERTISING, SALE AND AWARD
- 7.1 The LPA **shall not** advertise for bids prior to the receipt of the "Authorization to Advertise" notification from ODOT. Should advertising or work commence prior to the receipt of the "Authorization to Advertise" notification, ODOT shall immediately terminate this Agreement and cease all Federal funding commitments.
- 7.2 Any use of sole source or proprietary bid items must be approved by the applicable ODOT district. All sole source or proprietary bid items should be brought to the attention of the LPA Coordinator as soon as possible so as not to cause a delay in the plan package submission process. Bid items

for traffic signal and highway lighting projects must be in conformance with ODOT's Traffic Engineering Manual.

- 7.3 Once the LPA receives Federal authorization to advertise, the LPA may begin advertising activities. Whenever local advertisement requirements differ from Federal advertisement requirements, the Federal requirements shall prevail. The period between the first legal advertising date and the bid opening date shall be a minimum of twenty-one (21) calendar days. The LPA shall submit to ODOT any addendum to be issued during the advertisement period that changes estimates or materials. ODOT shall review and approve such addendum for project eligibility. All addenda shall be distributed to all potential bidders prior to opening bids and selling the contracts.
- 7.4 The LPA must incorporate ODOT's LPA Bid Template in its bid documents. The template includes Form FHWA-1273, Required Contract Provisions, a set of contract provisions and proposal notices that are required by regulations promulgated by the FHWA and other Federal agencies, which must be included in all contracts as well as appropriate subcontracts and purchase orders.
- 7.5 The LPA shall require the contractor to be enrolled in, and maintain good standing in, the Ohio Bureau of Workers' Compensation Drug-Free Safety Program (DFSP), or a similar program approved by the Bureau of Workers' Compensation, and the LPA must require the same of any of its subcontractors.
- 7.6 Only pre-qualified contractors are eligible to submit bids for this PROJECT. Pre-qualification status must be in effect/current **at the time of award**. For work types that ODOT does not pre-qualify, the LPA must still select a qualified contractor. Subcontractors are not subject to the pre-qualification requirement. In accordance with FHWA Form 1273 Section VII and 23 CFR 635.116, the "prime" contractor must perform no less than 30 percent of the total original contract price. The 30-percent prime requirement does not apply to design-build contracts.
- 7.7 In accordance with ORC Section 153.54, et. seq., the LPA shall require that the selected contractor provide a performance and payment bond in an amount equal to at least 100 percent of its contract price as security for the faithful performance of its contract. ODOT shall be named an obligee on any bond. If the LPA has 100 percent locally-funded work product within this agreement, the LPA must allocate the correct percent of the performance and payment bond cost to the 100 percent locally-funded work product.
- 7.8 Before awarding a contract to the selected contractor, the LPA shall verify that the contractor is not subject to a finding for recovery under ORC Section 9.24, that the contractor has taken the appropriate remedial steps required under ORC Section 9.24, or that the contractor otherwise qualifies under the exceptions to this section. Findings for recovery can be viewed on the Auditor of State's website at <https://ohioauditor.gov/findings.html> . If the LPA fails to so verify, ODOT may immediately terminate this Agreement and release all Federal funding commitments.
- 7.9 Before awarding a contract to the selected contractor, the LPA shall verify that the contractor is an active registrant on the Federal System for Award Management (SAM). Pursuant to 48 CFR 9.404, contractors that have an active exclusion on SAM are excluded from receiving Federal contracts, certain subcontracts, and certain Federal financial and nonfinancial assistance and benefits. If the LPA fails to so verify, ODOT may immediately terminate this Agreement and release all federal funding commitments.
- 7.10 The LPA is prohibited from imposing any geographical hiring preference on any bidder in the LPA's bid documents or on any successful contractor in the LPA's award or contract for the construction of the PROJECT.

- 7.11 After analyzing all bids for completeness, accuracy, and responsiveness, per ORC 153.12, the LPA shall approve the award of the contract in accordance with laws and policies governing the LPA within 60 days after bid opening. Within 45 days of that approval, the LPA shall submit to ODOT notification of the project award by submitting a bid tabulation, a copy of the ordinance or resolution, and direct payment information as required in Attachment 2 of this agreement, if applicable.

8. CONSTRUCTION CONTRACT ADMINISTRATION

- 8.1 The LPA shall provide and maintain competent and adequate project management covering the supervision and inspection of the development and construction of the PROJECT. The LPA shall bear the responsibility of ensuring that construction conforms to the approved plans, surveys, profiles, cross sections and material specifications. If a consultant is used for engineering and/or inspection activities, the LPA must use a QBS process as required pursuant to ORC sections 153.65 through 153.71. Any construction contract administration or engineering costs incurred by the LPA or their consultant prior to the construction contract award date will not be eligible for reimbursement under this agreement.
- 8.2 The LPA must maintain a project daily diary that is up-to-date and contains the following information: all work performed, list of equipment utilized, project personnel and hours worked, pay quantities, daily weather conditions, special notes and instructions to the contractor, and any unusual events occurring on or adjacent to the project. Additionally, the LPA is responsible for documenting measurements, calculations, material quality, quantity, and basis for payment; change orders, claims, testing and results, traffic, inspections, plan changes, prevailing wage, EEO and DBE, if applicable. The LPA is responsible for ensuring all materials incorporated into the project comply with ODOT's Construction and Material Specifications and meet the requirements of Appendix J in the LATP Manual of Procedures.
- 8.3 The LPA shall certify both the quantity and quality of material used, the quality of the work performed, and the amount of construction engineering cost, when applicable, incurred by the LPA for the eligible work on the PROJECT, as well as at the completion of construction. The LPA shall certify that the construction is in accordance with the approved plans, surveys, profiles, cross sections and material specifications or approved amendments thereto.
- 8.4 The Federal-aid Highway Program operates on a reimbursement basis, which requires that costs actually be incurred and paid before a request is made for reimbursement. The LPA shall review and/or approve all invoices prior to payment and prior to requesting reimbursement from ODOT for work performed on the PROJECT. If the LPA requests reimbursement, it must provide documentation of payment for the PROJECT costs requested. The LPA shall ensure the accuracy of any invoice in both amount and in relation to the progress made on the PROJECT. The LPA must submit to ODOT a written request for either current payment or reimbursement of the Federal/State share of the expenses involved, attaching copies of all source documentation associated with pending invoices or paid costs. To assure prompt payment, the measurement of quantities and the recording for payment should be performed on a daily basis as the items of work are completed and accepted.
- 8.5 ODOT shall pay, or reimburse, the LPA or, at the request of the LPA and with concurrence of ODOT, pay directly to the LPA's construction contractor ("Contractor"), the eligible items of expense in accordance with the cost-sharing provisions of this Agreement. If the LPA requests to have the Contractor paid directly, Attachment 2 to this Agreement shall be completed and submitted with the project bid tabulations, and the Contractor shall be required to establish Electronic Funds Transfer with the State of Ohio. ODOT shall pay the Contractor or reimburse the LPA within thirty (30) days of receipt of the approved Contractor's invoice from the LPA. When the LPA is requesting a direct

payment to its Contractor, the LPA must provide documentation that the LPA has paid its share of the PROJECT costs.

- 8.6 The LPA shall notify ODOT of the filing of any mechanic's liens against the LPA's Contractor within three (3) business days of receipt of notice of lien. Failure to so notify ODOT or failure to process a mechanic's lien in accordance with the provisions of Chapter 1311 of the ORC may result in the termination of this Agreement. Upon the receipt of notice of a mechanic's lien, ODOT reserves the right to (1) withhold an amount of money equal to the amount of the lien that may be due and owing to either the LPA or the Contractor; (2) terminate direct payment to the affected Contractor; or (3) take both actions, until such time as the lien is resolved.

- 8.7 Payment or reimbursement to the LPA shall be submitted to:

**Mayor Mike Summers
City of Lakewood
12650 Detroit Ave.
Lakewood, Ohio 44107
216-521-7580**

- 8.8 If, for any reason, the LPA contemplates suspending or terminating the contract of the Contractor, it shall first seek ODOT's written approval. Failure to timely notify ODOT of any contemplated suspension or termination, or failure to obtain written approval from ODOT prior to suspension or termination, may result in ODOT terminating this Agreement and ceasing all Federal funding commitments.
- 8.9 If ODOT approves any suspension or termination of the contract, ODOT reserves the right to amend its funding commitment in paragraph 3.1 and, if necessary, unilaterally modify any other term of this Agreement in order to preserve its Federal mandate. Upon request, the LPA agrees to assign all rights, title, and interests in its contract with the Contractor to ODOT to allow ODOT to direct additional or corrective work, recover damages due to errors or omissions, and to exercise all other contractual rights and remedies afforded by law or equity.
- 8.10 Any LPA right, claim, interest, and/or right of action, whether contingent or vested, arising out of, or related to any contract entered into by the LPA for the work to be performed by the Contractor on this PROJECT (the Claim), may be subrogated to ODOT, and ODOT shall have all of the LPA's rights in/to the Claim and against any other person(s) or entity(ies) against which such subrogation rights may be enforced. The LPA shall immediately notify ODOT in writing of any Claim. The LPA further authorizes ODOT to sue, compromise, or settle any such Claim. It is the intent of the parties that ODOT be fully substituted for the LPA and subrogated to all of the LPA's rights to recover under such Claim(s). The LPA agrees to cooperate with reasonable requests from ODOT for assistance in pursuing any action on the subrogated Claim including requests for information and/or documents and/or to testify.
- 8.11 After completion of the PROJECT, and in accordance with Title 23 United States Code 116 and applicable provisions of the ORC, the LPA shall maintain the PROJECT to design standards and provide adequate maintenance activities for the PROJECT, unless otherwise agreed to by ODOT. The PROJECT must remain under public ownership and authority for 20 years unless otherwise agreed to by ODOT. If the PROJECT is not being adequately maintained, ODOT shall notify the LPA of any deficiencies, and if the maintenance deficiencies are not corrected within a reasonable amount of time, ODOT may determine that the LPA is no longer eligible for future participation in any Federally-funded programs.

- 8.12 The LPA must provide the final invoices, and final report (Appendix P located in the Construction Chapter of the LPA Manual) along with all necessary closeout documentation within 6 months of the physical completion date of the project. All costs must be submitted within 6 months of the established completion date. Failure to submit final invoices along with the necessary closeout documentation within the 6 month period may result in closeout of the project and loss of eligibility of any remaining Federal and or State funds.

9. CERTIFICATION AND RECAPTURE OF FUNDS

- 9.1 This Agreement is subject to the determination by ODOT that sufficient funds have been appropriated by the Ohio General Assembly to the State for the purpose of this Agreement and to the certification of funds by the Office of Budget and Management, as required by ORC section 126.07. If ODOT determines that sufficient funds have not been appropriated for the purpose of this Agreement or if the Office of Budget and Management fails to certify the availability of funds, this Agreement or any renewal thereof will terminate on the date funding expires.
- 9.2 Unless otherwise directed by ODOT, if for any reason the PROJECT is not completed in its entirety or to a degree acceptable to ODOT and FHWA, the LPA shall repay to ODOT an amount equal to the total funds ODOT disbursed on behalf of the PROJECT. In turn, ODOT shall reimburse FHWA an amount equal to the total sum of Federal dollars it has received for the PROJECT. If the LPA has not repaid ODOT in full an amount equal to the total funds ODOT disbursed on behalf of the project, any funds recovered from the performance and payment bond as required under section 7.7 shall be used to offset the Federal dollars reimbursed to FHWA.

10. NONDISCRIMINATION

- 10.1 In carrying out this Agreement, the LPA shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, ancestry, age, disability as that term is defined in the American with Disabilities Act, military status (past, present, or future), or genetic information. The LPA shall ensure that applicants are hired and that employees are treated during employment without regard to their race, religion, color, sex, national origin, ancestry, age, disability, military status, or genetic information. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 10.2 The LPA agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause, and in all solicitations or advertisements for employees placed by it, state that all qualified applicants shall receive consideration for employment without regard to race, religion, color, sex, national origin, ancestry, age, disability, military status, or genetic information. The LPA shall incorporate this nondiscrimination requirement within all of its contracts for any of the work on the PROJECT (other than subcontracts for standard commercial supplies or raw materials) and shall require all of its contractors to incorporate such requirements in all subcontracts for any part of such PROJECT work.
- 10.3 The LPA shall ensure that Disadvantaged Business Enterprises (DBEs), as defined in 49 CFR Part 26, will have an equal opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with Federal funds provided in conjunction with this Agreement. To meet this requirement, subcontractors who claim to be DBEs must be certified by ODOT. The LPA shall require that all contracts and other agreements it enters into for the performance of the PROJECT contain the following specific language:

Disadvantaged Business Enterprise (DBE) Requirement. DBE participation goals (subcontracts, materials, supplies) have been set on this project for those certified as DBEs pursuant to Title 23, U.S.C. section 140(c) and 49 CFR, Part 26, and where applicable qualified to bid with ODOT under Chapter 5525 of the ORC.

ODOT shall supply the percentage goal to the LPA upon review of the Engineer's Estimate. Prior to executing the contract with the contractor, and in order for ODOT to encumber the Federal/State funds, the contractor must demonstrate compliance with the DBE Utilization Plan and Good Faith Efforts requirements.

GOOD FAITH EFFORTS (GFEs)

In the event that the DBE contract goal established by ODOT is not met on a project, the Contractor shall demonstrate that it made adequate good faith efforts to meet the goal, even though it did not succeed in obtaining enough DBE participation to do so.

The Contractor shall demonstrate its GFEs by submitting information including but not limited to the following to the LPA:

- (1) All written quotes received from certified DBE firms;
- (2) All written (including email) communications between the Contractor and DBE firms;
- (3) All written solicitations to DBE firms, even if unsuccessful;
- (4) Copies of each non-DBE quote when a non-DBE was selected over a DBE for work on the contract;
- (5) Phone logs of communications with DBE firms.

The LPA will send the GFE documentation including their recommendation to ODOT at the following address:

Office of Small & Disadvantaged Business Enterprise
The Ohio Department of Transportation
1980 West Broad Street, Mail Stop 3270
Columbus, Ohio 43223

ODOT shall utilize the guidance set forth in 49 CFR §26.53 Appendix A in determining whether the Contractor has made adequate good faith efforts to meet the goal. ODOT will review the GFE documentation and the LPA's recommendation and issue a written determination on whether adequate GFEs have been demonstrated by the Contractor.

The Contractor may request administrative reconsideration within two (2) days of being informed that it did not perform a GFE. The Contractor must make this request in writing to the following official:

Ohio Department of Transportation
Division of Chief Legal Counsel
1980 West Broad Street, Mail Stop 1500
Columbus, Ohio 43223

The reconsideration official will not have played any role in the original determination that the Contractor did not document sufficient good faith effort.

As part of this reconsideration, the Contractor will have the opportunity to provide written documentation or an argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. ODOT will send the Contractor a written decision on reconsideration explaining the basis for finding that the Contractor did or did not meet the goal or make adequate good faith efforts. The result of the reconsideration process is not administratively appealable.

ODOT may issue sanctions if the Contractor fails to comply with the contract requirements and/or fails to demonstrate the necessary good faith effort. ODOT may impose any of the following sanctions:

- (a) letter of reprimand;
- (b) contract termination; and/or
- (c) other remedies available by law including administrative suspension.

Factors to be considered in issuing sanctions include, but are not limited to:

- (a) the magnitude and the type of offense;
- (b) the degree of the Consultant's culpability;
- (c) any steps taken to rectify the situation;
- (d) the Contractor's record of performance on other projects including, but not limited to:
 - (1) annual DBE participation over DBE goals;
 - (2) annual DBE participation on projects without goals;
 - (3) number of complaints ODOT has received from DBEs regarding the Contractor; and,
 - (4) the number of times the Contractor has been previously sanctioned by ODOT; and,
- (e) Whether the Contractor falsified, misrepresented, or withheld information.

10.4 During the performance of this contract, the LPA, for itself, its assignees and successors in interest agrees as follows:

- (1) **Compliance with Regulations:** The LPA will comply with the regulations relative to nondiscrimination in Federally-assisted programs of the United States Department of Transportation (hereinafter "U.S. DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the "Regulations"), which are herein incorporated by reference and made a part of this contract.

In addition, the LPA will comply with the provisions of the Americans with Disabilities Act, Section 504 of the Rehabilitation Act, FHWA Guidance, and any other Federal, State, and/or local laws, rules and/or regulations (hereinafter referred to as "ADA/504").

(2) **Nondiscrimination:** The LPA, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin, sex, age, or disability, in the selection and retention of contractors or subcontractors, including procurements of materials and leases of equipment. The LPA will not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations, as well as the ADA/504 regulations.

(3) **Solicitations for Contractors or Subcontractors, including Procurement of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by the LPA for work to be performed under a contract or subcontract, including procurements of materials or leases of equipment, each potential contractor, subcontractor, or supplier will be notified by the LPA of the LPA's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, national origin, sex, age, or disability.

(4) **Information and Reports:** The LPA will provide all information and reports required by the Regulations or directives issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the STATE or FHWA to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of the LPA is in the exclusive possession of another who fails or refuses to furnish this information, the LPA will so certify to the STATE or FHWA, as appropriate, and will set forth what efforts it has made to obtain the information.

(5) **Sanctions for Noncompliance:** In the event of the LPA's noncompliance with the nondiscrimination provisions of this contract, the STATE will impose such contract sanctions as it or FHWA may determine to be appropriate, including, but not limited to:

- (a) withholding of payments to the LPA under the contract until the LPA complies, and/or
- (b) cancellation, termination or suspension of the contract, in whole or in part.

(6) **Incorporation of Provisions:** The LPA will include the provisions of paragraphs (1) through (5) above in every contract or subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The LPA will take such action with respect to any contractor or subcontractor procurement as the STATE or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that, in the event the LPA becomes involved in, or is threatened with, litigation with a contractor, subcontractor, or supplier as a result of such direction, the LPA may request the STATE to enter into such litigation to protect the interests of the STATE, and, in addition, the LPA may request the United States to enter into such litigation to protect the interests of the United States.

11. DATA, PATENTS AND COPYRIGHTS - PUBLIC USE

- 11.1 The LPA shall ensure that any designs, specifications, processes, devices or other intellectual properties specifically devised for the PROJECT by its consultants or contractors performing work become the property of the LPA, and that when requested, such designs, specifications, processes, devices or other intellectual properties shall become available to ODOT and FHWA with an unrestricted right to reproduce, distribute, modify, maintain, and use. The LPA's consultants and contractors shall not seek or obtain copyrights, patents, or other forms of proprietary protection for such designs, specifications, processes, devices or other intellectual properties, and in providing them to the PROJECT, shall relinquish any such protections should they exist.

- 11.2 The LPA shall not allow its consultants or contractors to utilize within the development of the PROJECT any copyrighted, patented or similarly protected design, specification, process, device or other intellectual property unless the consultant or contractor has provided for such use by suitable legal agreement with the owner of such copyright, patent or similar protection. A consultant or contractor making use of such protected items for the PROJECT shall indemnify and save harmless the LPA and any affected third party from any and all claims of infringement on such protections, including any costs, expenses, and damages which it may be obliged to pay by reason of infringement, at any time during the prosecution or after the completion of work on the PROJECT.
- 11.3 In the case of patented pavements or wearing courses where royalties, licensing and proprietary service charges, exacted or to be exacted by the patentees, are published and certified agreements are filed with the LPA, guaranteeing to prospective bidders free unrestricted use of all such proprietary rights and trademarked goods upon payment of such published charges, such patented pavements or wearing courses may be specifically designated in the proposal and competition secured upon the item exclusive of the patent or proprietary charges.

12. TERMINATION; DEFAULT AND BREACH OF CONTRACT

- 12.1 Neglect or failure of the LPA to comply with any of the terms, conditions, or provisions of this Agreement, including misrepresentation of fact, may be an event of default, unless such failure or neglect are the result of natural disasters, strikes, lockouts, acts of public enemies, insurrections, riots, epidemics, civil disturbances, explosions, orders of any kind of governments of the United States or State of Ohio or any of their departments or political subdivisions, or any other cause not reasonably within the LPA's control. If a default has occurred, ODOT may terminate this agreement with thirty (30) days written notice, except that if ODOT determines that the default can be remedied, then ODOT and the LPA shall proceed in accordance with sections 12.2 through 12.4 of this Agreement.
- 12.2 If notified by ODOT in writing that it is in violation of any of the terms, conditions, or provisions of this Agreement, and a default has occurred, the LPA shall have thirty (30) days from the date of such notification to remedy the default or, if the remedy will take in excess of thirty (30) days to complete, the LPA shall have thirty (30) days to satisfactorily commence a remedy of the causes preventing its compliance and curing the default situation. Expiration of the thirty (30) days and failure by the LPA to remedy, or to satisfactorily commence the remedy of, the default whether payment of funds has been fully or partially made, shall result in ODOT, at its discretion, declining to make any further payments to the LPA, or in the termination of this Agreement by ODOT. If this Agreement is terminated, the LPA may be liable to repay to ODOT all of the Federal funds disbursed to it under this Agreement.
- 12.3 The LPA, upon receiving a notice of termination from ODOT for default, shall cease work on the terminated activities covered under this Agreement. If so requested by ODOT, the LPA shall assign to ODOT all its rights, title, and interest to any contracts it has with any consultants or contractors. Otherwise, the LPA shall terminate all contracts and other agreements it has entered into relating to such covered activities, take all necessary and appropriate steps to limit disbursements and minimize any remaining costs. At the request of ODOT, the LPA may be required to furnish a report describing the status of PROJECT activities as of the date of its receipt of notice of termination, including results accomplished and other matters as ODOT may require.
- 12.4 No remedy herein conferred upon or reserved by ODOT is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or option accruing to ODOT upon any default by the LPA

shall impair any such right or option or shall be construed to be a waiver thereof, but any such right or option may be exercised from time to time and as often as may be deemed expedient by ODOT.

13. THIRD PARTIES AND RESPONSIBILITIES FOR CLAIMS

- 13.1 Nothing in this Agreement shall be construed as conferring any legal rights, privileges, or immunities, or imposing any legal duties or obligations, on any person or persons other than the parties named in this Agreement, whether such rights, privileges, immunities, duties, or obligations be regarded as contractual, equitable, or beneficial in nature as to such other person or persons. Nothing in this Agreement shall be construed as creating any legal relations between the Director and any person performing services or supplying any equipment, materials, goods, or supplies for the PROJECT sufficient to impose upon the Director any of the obligations specified in section 126.30 of the ORC.
- 13.2 The LPA hereby agrees to accept responsibility for any and all damages or claims for which it is legally liable arising from the actionable negligence of its officers, employees or agents in the performance of the LPA's obligations made or agreed to herein.

14. NOTICE

- 14.1 Notice under this Agreement shall be directed as follows:

If to the LPA:

Mike Summers, Mayor
City of Lakewood
12650 Detroit Ave.
Lakewood, OH 44107

If to ODOT:

Myron Pakush
Deputy Director, District 12
5500 Transportation Boulevard
Garfield Heights, OH 44125

15. GENERAL PROVISIONS

- 15.1 Recovery of Direct Labor, Overhead, and/or Fringe Costs:

To be eligible to recover any costs associated with the LPA's internal labor forces used on this project, the LPA shall make an appropriate selection below:¹

- ☒ 1. Direct Labor only (no indirect cost recovery for fringe benefit or overhead costs)
- ☐ 2. Direct Labor plus indirect costs determined using the Federal De Minimis Indirect Cost Rate²
- ☐ 3. Direct Labor plus Approved Fringe Benefit Costs (fringe benefits only)³
- ☐ 4. Direct Labor plus indirect costs determined using the approved applicable Cost Allocation Plan rate⁴
- ☐ 5. No cost recovery of any LPA direct labor, fringe benefits, or overhead costs.

¹ **Note:** If a timely election is not made at the time of contract execution, the cost recovery method will default to Option 5: No cost recovery of any LPA direct labor, fringe benefits, or overhead costs.

² The De Minimis Indirect Cost Rate is 10 percent of modified total direct costs (MTDC) per 2 CFR §200.414. Regardless of whether the LPA prepares a CAP or uses the 10-percent de minimis rate, LPAs are required to maintain Federally-compliant time-tracking systems. Accordingly, LPAs are permitted to bill for labor costs and associated indirect costs only if such costs are accumulated, tracked, and allocated in accordance with such systems. Before an LPA is eligible to elect the de minimis rate on any project, the LPA's time-tracking system and methods for tracking other project costs must be reviewed and approved by the ODOT Office of External Audits. To obtain this approval, LPAs will be required to complete an Internal Control Questionnaire (ICQ), and LPAs with compliant time-tracking systems will be granted approval (be prequalified) to apply the de minimis rate.

³ Annually, the LPA shall submit an updated rate for review and approval by the ODOT Office of External Audits.

⁴ Annually, the LPA shall submit an updated rate for review and approval by the ODOT Office of External Audits.

For any labor costs to be eligible for reimbursement with Federal and State funds, the LPA shall meet all timekeeping requirements outlined in 2 CFR Part 200 and the ODOT LPA Cost Recovery Guidance, including ODOT Questions and Answers⁵ and related supplementary guidance, as applicable. Additionally, if the LPA elects to recover fringe and/or indirect costs, the LPA shall follow 2 CFR Part 200 and the LATP Manual of Procedures.

- 15.2 Financial Reporting and Audit Requirements: The LPA shall comply with the financial reporting and audit requirements of 2 CFR Part 200.

The LPA must submit performance reports at the interval required by the Federal awarding agency and pass-through entity. Annual reports must be due 90 calendar days after the reporting period; quarterly and semi-annual reports must be due 30 calendar days after the reporting period. Alternatively, ODOT may require annual reports before the anniversary dates of multiple year Federal awards.⁶

LPAs that expend \$750,000 or more in the LPA's fiscal year in Federal awards must have a Single Audit, or program-specific audit, conducted for that year in accordance with 2 CFR §200.501.

Federal and State funds expended to or on behalf of a subrecipient must be recorded by the subrecipient (LPA). The LPA is responsible for tracking these payments throughout the life of the project in order to ensure an accurate Schedule of Expenditures of Federal Award (hereinafter referred to as *Schedule*) is provided for 20.205 funding. The LPA must identify each ODOT PID and/or Project and the corresponding expenditures on its Schedule separately. LPAs are responsible for ensuring funds related to this PROJECT are reported when the activity related to the Federal award occurs.⁷ The LPA is required to report its own expenditures, in addition to any expenditures made by ODOT for the project in the applicable Schedule when the expenditure was made. When a Schedule is not accurately reported for the project, the LPA will be required to make corrections to past, current, and possibly future Schedules and Audit Reports to ensure Federal funds are accurately reported in the correct fiscal year matching the project expenditure. The LPA is required to report all Federal funds received, or expended on its behalf, regardless to differences in the LPA expenditure date and ODOT reimbursement date.

- 15.3 *Record Retention*: The LPA, when requested at reasonable times and in a reasonable manner, shall make available to the agents, officers, and auditors of ODOT and the United States government, its records and financial statements as necessary relating to the LPA's obligations under this Agreement. All such books, documents, and records shall be kept for a period of at least three years after FHWA approves the LPA's final Federal voucher for reimbursement of PROJECT expenses. In the event that an audit-related dispute should arise during this retention period, any such books, documents, and records that are related to the disputed matter shall be preserved for the term of that dispute. The LPA shall require that all contracts and other agreements it enters into for the performance of the PROJECT contain the following specific language:

As the LPA, ODOT or the United States government may legitimately request from time to time, the contractor agrees to make available for inspection and/or reproduction by the LPA, ODOT or United States government, all records, books, and documents of every kind and description that relate to this contract.

⁵ Question and Answer guidance can be found at the following web address:
[http://www.dot.state.oh.us/Divisions/Planning/LocalPrograms/Locallet%20Manual/LPA%20Questions%20and%20Answers%20Re%202%20CFR%20200%20\(latest\)%20\(2\).pdf](http://www.dot.state.oh.us/Divisions/Planning/LocalPrograms/Locallet%20Manual/LPA%20Questions%20and%20Answers%20Re%202%20CFR%20200%20(latest)%20(2).pdf)

⁶ See 2 CFR §200.328.

⁷ Per 2 CFR §200.502

Nothing contained in this Agreement shall in any way modify the LPA's legal duties and obligations to maintain and/or retain its records under Ohio public records laws.

- 15.4 *Ohio Ethics Laws:* LPA agrees that it they are currently in compliance and will continue to adhere to the requirements of Ohio Ethics law as provided by Section 102.03 and 102.04 of the ORC.
- 15.5 *State Property Drug-Free Workplace Compliance:* In accordance with applicable State and Federal laws, rules, and policy, the LPA shall make a good faith effort to ensure that its employees and its contractors will not purchase, transfer, use, or possess alcohol or a controlled substance while working on State property.
- 15.6 *Governing Law:* This Agreement and any claims arising out of this Agreement shall be governed by the laws of the State of Ohio. Any provision of this Agreement prohibited by the laws of Ohio shall be deemed void and of no effect. Any litigation arising out of or relating in any way to this Agreement or the performance thereunder shall be brought only in the courts of Ohio, and the LPA hereby irrevocably consents to such jurisdiction. To the extent that ODOT is a party to any litigation arising out of or relating in any way to this Agreement or the performance thereunder, such an action shall be brought only in a court of competent jurisdiction in Franklin County, Ohio.
- 15.7 *Assignment:* Neither this Agreement nor any rights, duties, or obligations described herein shall be assigned by either party hereto without the prior express written consent of the other party.
- 15.8 *Merger and Modification:* This Agreement and its attachments constitute the entire Agreement between the parties. All prior discussions and understandings between the parties are superseded by this Agreement. Unless otherwise noted herein, this Agreement shall not be altered, modified, or amended except by a written agreement signed by both parties hereto.
- 15.9 *Severability:* If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, such holding shall not affect the validity or the ability to enforce the remainder of this Agreement. All provisions of this Agreement shall be deemed severable.
- 15.10 *Signatures:* Any person executing this Agreement in a representative capacity hereby represents that he/she has been duly authorized by his/her principal to execute this Agreement on such principal's behalf.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year last written below.

LPA: Lakewood, Ohio

**STATE OF OHIO
OHIO DEPARTMENT OF TRANSPORTATION**

By: _____

By: _____

Title: _____

Jerry Wray
Director

Date: _____

Date: _____

Attachment 2_____
COUNTY-ROUTE-SECTION_____
PID NUMBER_____
AGREEMENT NUMBER_____
DUNS NUMBER**DIRECT PAYMENT OF CONTRACTOR**

At the direction of the LPA and upon approval of ODOT, payments for work performed under the terms of the Agreement by the LPA's contractor shall be paid directly to the contractor in the pro-rata share of Federal/State participation. The invoice package shall be prepared by the LPA as previously defined in this agreement, and shall indicate that the payment is to be made to the contractor. In addition, the invoice must state the contractor's name, mailing address and OAKS Vendor ID. Separate invoices shall be submitted for payments that are to be made to the contractor and those that are to be made to the LPA.

When ODOT uses Federal funds to make payment to the contractor, all such payments are considered to be expenditures of Federal funds received and also expended by the LPA (subrecipient). Accordingly, the LPA is responsible for tracking the receipts and payments and reporting the payments Federal (Receipts) Expenditures on the Schedule of Expenditures of Federal Awards (SEFA). An LPA that fails to report these funds accurately and timely may be required to restate the SEFA to comply with Federal reporting requirements.

We _____ (INSERT NAME OF LPA) request that all payments for the Federal/State share of the construction costs of this agreement performed by _____ (CONTRACTOR'S NAME) be paid directly to _____ (CONTRACTOR'S NAME).

Contractor Name:
Oaks Vendor ID:
Mailing Address:

LPA signature

LPA Name:
Oaks Vendor ID:
Mailing Address:

Approved, ODOT signature

ORDINANCE NO. 2-18

BE IT ORDAINED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Chapter 1306, Property Maintenance and Safety Code of the Codified Ordinances of the City of Lakewood, currently reading as follows:

1306.07 DEFINITIONS.

...

Shall be and is hereby amended to read as follows:

1306.07 DEFINITIONS.

...

(hh) "Light Trespass" means the unwanted shining of light produced by a lighting fixture beyond the boundaries of the property on which it is located.

Section 2. Chapter 1306, Property Maintenance and Safety Code of the Codified Ordinances of the City of Lakewood, currently reading as follows:

1306.31 EXTERIOR PROPERTY AREAS.

No owner or operator of any premises shall maintain or permit to be maintained at or on the exterior property areas of such premises any condition which deteriorates, blights or debases the appearance of the neighborhood; or creates a fire, safety or health hazard; or which is a public nuisance; or which adversely alters the appearance and general character of the neighborhood and shall keep such premises free of any debris, object, material or condition which may create a health, accident or fire hazard or which is a public nuisance. Furniture used on open porches, decks and patios shall be of the type and style designed and intended for exterior use. Lawns, landscaping, trees and driveway shall also be maintained so as not to constitute a blighting or deteriorating effect in the neighborhood. All parking surfaces, both existing and new, and all parts thereof, shall be maintained in a safe and sanitary condition.

Shall be and is hereby amended to read as follows:

1306.31 EXTERIOR PROPERTY AREAS.

No owner or operator of any premises shall maintain or permit to be maintained at or on the exterior property areas of such premises any condition which deteriorates, blights or debases the appearance of the neighborhood; or creates a fire, safety or health hazard; or which is a public nuisance; or which creates light trespass; or which adversely alters the appearance and general character of the neighborhood and shall keep such premises free

of any debris, object, material or condition which may create a health, accident or fire hazard or which is a public nuisance. Furniture used on open porches, decks and patios shall be of the type and style designed and intended for exterior use. Lawns, landscaping, trees and driveway shall also be maintained so as not to constitute a blighting or deteriorating effect in the neighborhood. All parking surfaces, both existing and new, and all parts thereof, shall be maintained in a safe and sanitary condition.

REFERRED TO THE HOUSING COMMITTEE
1/2/18. SECOND READING/deferred 1/16/18.

ORDINANCE NO. 3-18

BY:

AN ORDINANCE to take effect immediately provided it receives the affirmative vote of at least five members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, authorizing and directing the Director of Planning and Development or the Mayor to enter into an agreement with Payne and Payne Custom Builders, Inc. for the sale of 2107 Robin Street, Lakewood, Ohio (PPN#315-22-074) and 2111 Robin Street, Lakewood, Ohio (PPN# 315-22-120, pursuant to Section 155.07 of the Codified Ordinances.

WHEREAS, the City is the owner of the above listed properties and has negotiated an in-fill project for three separate parcels with Payne and Payne Custom Builders, Inc.; and

WHEREAS, Payne and Payne Custom Builders, Inc. has already begun construction on a third parcel, not the subject of the within matter, for two single family homes on one parcel that will share common area and be subject to a home owners association; and

WHEREAS, this Council has determined it is in the best interest of the City to sell said real property and that such sale shall further the interest of the City and its residents; and

WHEREAS, this Council by a vote of at least five of its members determines that this ordinance is an emergency measure, and that this ordinance shall take effect at the earliest date possible as set forth in Article III, Sections 10 and 13 of the Second Amended Charter of the City of Lakewood, and that it is necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operation of municipal department in that these properties are currently vacant and returning them to a tax generating status should be done as quickly as possible; now, therefore,

BE IT ORDAINED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. The Director of Planning and Development ("Director") or Mayor is hereby authorized and directed, on behalf of the City, to enter into agreements, in substantially the same form as those attached as Exhibit A and Exhibit B, with Payne and Payne Custom Builders, Inc. for the sale of 2107 Robin Street, Lakewood, Ohio (PPN#315-22-074) and 2111 Robin Street, Lakewood, Ohio (PPN# 315-22-120), pursuant to Section 155.07 of the Codified Ordinances.

Section 2. The Director, Mayor or the Director of Law is hereby authorized and directed to enter into agreements and execute all ancillary and related instruments for the sale of said real property.

Section 3. The Director shall make no representations or warranties concerning the conditions of the property, including, but not limited to the property's environmental condition, compliance with code, zoning or building requirements.

Section 4. It is found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were adopted in an open meeting of this Council, and that all such deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 5. This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this ordinance, and provided it receives the affirmative vote of at least five members of Council, this ordinance shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor, or otherwise it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

President

Clerk

Approved _____

Mayor

EXHIBIT A

RESIDENTIAL REAL ESTATE PURCHASE AGREEMENT

1. OFFER OF PURCHASE AND SALE. Payne and Payne Custom Builders, Inc. ("Buyer") offers and agrees to buy and CITY OF LAKEWOOD ("Seller") agrees to sell the property described below. The "date of this Agreement" shall mean the date it has been signed by all parties.

2. THE PROPERTY.

Addresses: 2107 Robin Street, Lakewood, Avenue, 44107

Permanent Parcel No(s): 315-22-074

Check here ☒ if a full legal description is attached hereto as an exhibit.

The "Property" shall include the land described above, and all easements, hereditaments, appurtenances, all buildings and fixtures in their present condition.

Additional items included: none.

Items excluded: none.

3. PURCHASE PRICE. The price shall be Fifty and 00/100 dollars (\$50.00) (the "Purchase Price), to be paid to Buyer in ready funds.

4. FINANCING CONTINGENCY. (Reserved.)

5. CONDITION OF THE PROPERTY; DISCLOSURES.

- A. Purchase of the Property "As-Is". Except as provided to the contrary in this Agreement, Buyer and Seller agree that the property is being purchased and sold in its present condition, "AS IS," without any warranties or representations.

- B. State of Ohio Residential Property Disclosure Form. (Check one)

☐ Seller has delivered a copy of the Disclosure Form to Buyer.

☐ Seller shall deliver a copy of the Disclosure Form to Buyer within 3 days following the date of this Agreement.

☒ This transaction is exempt from the Disclosure Form requirements.

Seller shall promptly provide Buyer with an amended Disclosure Form if Seller becomes aware of any inaccuracy, omission or change of condition of the Property.

- C. Lead Based Paint. (Check One)

☒ The property is vacant land, has no structures and a lead based paint warning is not required.

☐ The property was constructed in or after 1978 and a lead based paint warning is not required.

☐ The property was constructed prior to 1978 and the Seller has provided to the Buyer a lead based paint warning statement and pamphlet as required by Federal Law.

- D. Private Inspection. Buyer shall have 10 days following the date of this Agreement (the "Inspection Deadline"): (1) to cause the Property to be inspected by one or more qualified inspectors or contractors of Buyer's choosing (the "Private Inspection") and (2) to notify Seller in writing of any deficiencies disclosed by such inspection(s). If the residence on the Property was built before 1978, such inspection(s) shall include, at Buyer's option, a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards. Seller agrees to cooperate with such inspection(s). If Buyer does not notify Seller of any deficiencies prior to the Inspection Deadline, then Buyer shall be deemed to accept the Property in its present, AS-IS condition. If Buyer gives timely notice, specifying such deficiencies, then unless Buyer and Seller otherwise agree in writing, this Agreement shall terminate 5 days after Seller's receipt of Buyer's notice.
- E. Pre-Closing Walk-Through. (Reserved.)
- F. Government Requirements. If any governmental notices of violations are received prior to the Closing Date but after the date of this agreement, Seller will immediately advise Buyer.
- G. Lead Warning Statement. If the residential dwelling was built prior to 1978 Addendum A must be completed by the parties.
6. DAMAGE. Seller shall bear the risk of loss and shall maintain adequate insurance until title transfer. If any portion of the Property is damaged or destroyed prior to Closing, Seller shall promptly provide written notification to Buyer of such damage and the cost of repair. If the amount of damage as determined by the insurance adjuster or, if none, by a contractor selected by mutual agreement, exceeds 10% of the Purchase Price then Buyer shall have the option, to be exercised by written notice to Seller not later than 5 days after notice from Seller, to: (a) complete the transaction and receive the proceeds of any insurance payable for damage to the Property plus a credit at Closing equal to the amount of the "deductible," or (b) terminate this Agreement. The failure of Buyer to timely exercise its option shall be deemed an election to complete this transaction. If the amount of the damage is 10% or less of the Purchase Price Buyer shall receive a credit at Closing for the agreed cost to repair such damage.
7. TITLE.
- A. Seller shall convey title to the Property to Buyer or Buyer's nominee, by quitclaim deed (the "Deed"). Buyer may purchase a policy of title insurance at Buyer's own expense.
- B. The Buyer(s) agree to take title in the name of Payne and Payne Custom Builders Inc. and subject to the following conditions: Plans for the new single family residence must be submitted to the City of Lakewood's Architectural Board of Review and Board of Zoning Appeals (if required) no later than September 30, 2018. Further, both parties agree that groundbreaking for construction of the structure shall occur no later than December 31, 2018 and that construction of the residence shall be completed, in compliance with all applicable laws, rules and regulations no later than June 30, 2019 unless otherwise mutually agreed to in writing by the seller and buyer. These conditions shall be recorded as deed restrictions on the property and failure to fulfill the conditions in a timely manner shall cause the reversion of the property to Seller.
8. CLOSING AND DELIVERY OF POSSESSION. The Seller at its cost shall file the Deed for record (the "Closing") and complete this transaction in accordance with the provisions of this Agreement on or before _____, or on such other date as Buyer and Seller may agree in writing (the "Closing Date"), provided that the Seller has received all funds and documents required to be deposited with it for the Closing. Seller shall pay up to one-half of all closing costs. Seller shall deliver

possession of the Property to Buyer at 6:00 p.m. on the Closing Date, unless the parties otherwise agree in writing.

9. NOTICE. All notices given pursuant to this Agreement shall be communicated in writing by: (a) hand delivery; (b) U.S. Mail; (c) facsimile; or (d) electronic mail; and shall be deemed given upon actual receipt.
10. TERMINATION. If a party has performed its obligations under this Agreement and, being entitled to do so, that party has elected to terminate this Agreement, then that party shall give the other party written notice of the termination within 3 days following the date on which the right to terminate arose (or such other date as specified herein). Except as otherwise specified in this Agreement, upon any such permitted termination, the parties shall sign a Mutual Release and return all funds and documents to the party which provided them, whereupon Seller and Buyer shall be relieved of liability hereunder, except that Seller shall be liable for the title examination charges, if any, incurred prior to the termination.
11. TIME. Wherever any period of time is specified in this Agreement for the taking of any action or the giving of any notice or notification, said period shall be computed by excluding the day upon which said period is specified to commence and including the last day of the period specified. In the event the last day of a specified period falls on a weekend or banking holiday the next business day shall be deemed to be the last day of the specified period. For purposes of this Agreement, the term "business day" shall be deemed any day of the week which is not a Saturday, Sunday or nationally recognized holiday. Time is of the essence of this Agreement.
12. BUYER DEFAULT; REMEDIES. If Buyer fails to pay the Purchase Price promptly when the same shall become due, or defaults in the performance of any covenant or agreement herein contained, and such failure or default continues for 5 days following written notice from Seller, then Seller may terminate this Agreement. Upon such termination:
 - A. the parties shall sign a mutual release and Buyer shall reimburse Seller the amount of \$60 for its expenses in undertaking this transaction; or
 - B. Seller shall pursue any legal or equitable remedies available for the breach.
13. SELLER DEFAULT, REMEDIES. If Seller fails to perform any obligation imposed by this Agreement, and such failure continues for 5 days following written notice from Buyer, then Buyer may elect to terminate this Agreement. Buyer thereafter shall be entitled to and Buyer may also pursue thereafter any other legal or equitable remedies as a result of the breach.
14. ENTIRE AGREEMENT. This Agreement, including any addenda, constitutes the entire agreement between the parties. No other conditions, representations, warranties or agreements, expressed or implied, have been made or relied upon by Buyer or Seller. The representations, warranties and agreements contained in this Agreement shall survive the transfer of title. Any modifications to this agreement shall be in writing signed by both parties.
15. PARTIES BOUND AND BENEFITED. This Agreement shall bind and benefit the parties hereto and their respective heirs, personal representatives, successors and assigns.
16. REAL ESTATE BROKER. No real estate broker is owed a commission in connection with the sale of the Property. Each party represents and warrants to the other that it did not engage the services of any real estate broker or agent in connection with this transaction, except as specifically provided

herein.

17. ADDITIONAL PROVISIONS. Attached hereto and made a part of this Agreement is (are) -0- Addendum (Addenda), setting forth additional and/or alternative provisions of this Agreement.

THIS AGREEMENT IS A LEGALLY BINDING CONTRACT. IF YOU HAVE ANY QUESTIONS OF LAW, CONSULT YOUR ATTORNEY.

(The signature page follows.)

BUYER:

SELLER:

Address: Payne and Payne Custom Builders Inc.

By: Eric Payne
10750 Mayfield Rd.
Chardon, Ohio 44024

Address: CITY OF LAKEWOOD,
By Michael P. Summers, Mayor
12650 Detroit Avenue
Lakewood, OH 44107

Date:

Phone:

Email:

Date:

Phone:

Email:

(216) 529-6600

law@lakewood.net

Approved as to Legal Form:

Jennifer L. Swallow
Chief Assistant Law Director

Exhibit A

Legal Description

Situated in the City of Lakewood, County of Cuyahoga, State of Ohio, and described as follows:

LEGAL DESCRIPTION FOR 2107 ROBIN STREET, LAKEWOOD, OH 44107-7217 SITUATED IN THE CITY OF LAKEWOOD, COUNTY OF CUYAHOGA, AND STATE OF OHIO, AND KNOWN AS BEING SUBLOT NO. 123 IN PLEASANT HILL ALLOTMENT OF PART OF ORIGINAL ROCKPORT TOWNSHIP SECTION NO. 20, AS SHOWN BY THE RECORDED PLAT IN VOLUME 20 OF MAPS, PAGE 9 OF CUYAHOGA COUNTY RECORDS.

(Permanent parcel no. 315-22-074; property address: 2107 Robin Avenue, Lakewood, Ohio 44107)

Exhibit B

RESIDENTIAL REAL ESTATE PURCHASE AGREEMENT

1. OFFER OF PURCHASE AND SALE. Payne and Payne Custom Builders, Inc. ("Buyer") offers and agrees to buy and CITY OF LAKEWOOD ("Seller") agrees to sell the property described below. The "date of this Agreement" shall mean the date it has been signed by all parties.
2. THE PROPERTY.

Addresses: 2111 Robin Street, Lakewood, Avenue, 44107

Permanent Parcel No(s): 315-22-120

Check here ☒ if a full legal description is attached hereto as an exhibit.

The "Property" shall include the land described above, and all easements, hereditaments, appurtenances, all buildings and fixtures in their present condition.

Additional items included: none.

Items excluded: none.
3. PURCHASE PRICE. The price shall be Fifty and 00/100 dollars (\$50.00) (the "Purchase Price), to be paid to Buyer in ready funds.
4. FINANCING CONTINGENCY. (Reserved.)
5. CONDITION OF THE PROPERTY; DISCLOSURES.
 - A. Purchase of the Property "As-Is". Except as provided to the contrary in this Agreement, Buyer and Seller agree that the property is being purchased and sold in its present condition, "AS IS," without any warranties or representations.
 - B. State of Ohio Residential Property Disclosure Form. (Check one)

☐ Seller has delivered a copy of the Disclosure Form to Buyer.

☐ Seller shall deliver a copy of the Disclosure Form to Buyer within 3 days following the date of this Agreement.

☒ This transaction is exempt from the Disclosure Form requirements.

Seller shall promptly provide Buyer with an amended Disclosure Form if Seller becomes aware of any inaccuracy, omission or change of condition of the Property.
 - C. Lead Based Paint. (Check One)

☒ The property is vacant land, has no structures and a lead based paint warning is not required.

☐ The property was constructed in or after 1978 and a lead based paint warning is not required.

☐ The property was constructed prior to 1978 and the Seller has provided to the Buyer a lead based paint warning statement and pamphlet as required by Federal Law.

- D. Private Inspection. Buyer shall have 10 days following the date of this Agreement (the "Inspection Deadline"): (1) to cause the Property to be inspected by one or more qualified inspectors or contractors of Buyer's choosing (the "Private Inspection") and (2) to notify Seller in writing of any deficiencies disclosed by such inspection(s). If the residence on the Property was built before 1978, such inspection(s) shall include, at Buyer's option, a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards. Seller agrees to cooperate with such inspection(s). If Buyer does not notify Seller of any deficiencies prior to the Inspection Deadline, then Buyer shall be deemed to accept the Property in its present, AS-IS condition. If Buyer gives timely notice, specifying such deficiencies, then unless Buyer and Seller otherwise agree in writing, this Agreement shall terminate 5 days after Seller's receipt of Buyer's notice.
- E. Pre-Closing Walk-Through. (Reserved.)
- F. Government Requirements. If any governmental notices of violations are received prior to the Closing Date but after the date of this agreement, Seller will immediately advise Buyer.
- G. Lead Warning Statement. If the residential dwelling was built prior to 1978 Addendum A must be completed by the parties.
6. DAMAGE. Seller shall bear the risk of loss and shall maintain adequate insurance until title transfer. If any portion of the Property is damaged or destroyed prior to Closing, Seller shall promptly provide written notification to Buyer of such damage and the cost of repair. If the amount of damage as determined by the insurance adjuster or, if none, by a contractor selected by mutual agreement, exceeds 10% of the Purchase Price then Buyer shall have the option, to be exercised by written notice to Seller not later than 5 days after notice from Seller, to: (a) complete the transaction and receive the proceeds of any insurance payable for damage to the Property plus a credit at Closing equal to the amount of the "deductible," or (b) terminate this Agreement. The failure of Buyer to timely exercise its option shall be deemed an election to complete this transaction. If the amount of the damage is 10% or less of the Purchase Price Buyer shall receive a credit at Closing for the agreed cost to repair such damage.
7. TITLE.
- A. Seller shall convey title to the Property to Buyer or Buyer's nominee, by quitclaim deed (the "Deed"). Buyer may purchase a policy of title insurance at Buyer's own expense.
- B. The Buyer(s) agree to take title in the name of Payne and Payne Custom Builders Inc. and subject to the following conditions: Plans for the new single family residence must be submitted to the City of Lakewood's Architectural Board of Review and Board of Zoning Appeals (if required) no later than December 27, 2017. Plan review shall be submitted to the Division of Housing and Building no later than January 31, 2018. Further, both parties agree that groundbreaking for construction of the structure shall occur no later than April 15, 2018 and that construction of the residence shall be completed, in compliance with all applicable laws, rules and regulations no later than September 30, 2018 unless otherwise mutually agreed to in writing by the seller and buyer. These conditions shall be recorded as deed restrictions on the property and failure to fulfill the conditions in a timely manner shall cause the reversion of the property to Seller.
8. CLOSING AND DELIVERY OF POSSESSION. The Seller at its cost shall file the Deed for record (the "Closing") and complete this transaction in accordance with the provisions of this Agreement on or before _____, or on such other date as Buyer and Seller may agree in writing (the "Closing Date"), provided that the Seller has received all funds and documents required to be depos-

ited with it for the Closing. Seller shall pay up to one-half of all closing costs. Seller shall deliver possession of the Property to Buyer at 6:00 p.m. on the Closing Date, unless the parties otherwise agree in writing.

9. NOTICE. All notices given pursuant to this Agreement shall be communicated in writing by: (a) hand delivery; (b) U.S. Mail; (c) facsimile; or (d) electronic mail; and shall be deemed given upon actual receipt.
10. TERMINATION. If a party has performed its obligations under this Agreement and, being entitled to do so, that party has elected to terminate this Agreement, then that party shall give the other party written notice of the termination within 3 days following the date on which the right to terminate arose (or such other date as specified herein). Except as otherwise specified in this Agreement, upon any such permitted termination, the parties shall sign a Mutual Release and return all funds and documents to the party which provided them, whereupon Seller and Buyer shall be relieved of liability hereunder, except that Seller shall be liable for the title examination charges, if any, incurred prior to the termination.
11. TIME. Wherever any period of time is specified in this Agreement for the taking of any action or the giving of any notice or notification, said period shall be computed by excluding the day upon which said period is specified to commence and including the last day of the period specified. In the event the last day of a specified period falls on a weekend or banking holiday the next business day shall be deemed to be the last day of the specified period. For purposes of this Agreement, the term "business day" shall be deemed any day of the week which is not a Saturday, Sunday or nationally recognized holiday. Time is of the essence of this Agreement.
12. BUYER DEFAULT; REMEDIES. If Buyer fails to pay the Purchase Price promptly when the same shall become due, or defaults in the performance of any covenant or agreement herein contained, and such failure or default continues for 5 days following written notice from Seller, then Seller may terminate this Agreement. Upon such termination:
 - A. the parties shall sign a mutual release and Buyer shall reimburse Seller the amount of \$60 for its expenses in undertaking this transaction; or
 - B. Seller shall pursue any legal or equitable remedies available for the breach.
13. SELLER DEFAULT, REMEDIES. If Seller fails to perform any obligation imposed by this Agreement, and such failure continues for 5 days following written notice from Buyer, then Buyer may elect to terminate this Agreement. Buyer thereafter shall be entitled to and Buyer may also pursue thereafter any other legal or equitable remedies as a result of the breach.
14. ENTIRE AGREEMENT. This Agreement, including any addenda, constitutes the entire agreement between the parties. No other conditions, representations, warranties or agreements, expressed or implied, have been made or relied upon by Buyer or Seller. The representations, warranties and agreements contained in this Agreement shall survive the transfer of title. Any modifications to this agreement shall be in writing signed by both parties.
15. PARTIES BOUND AND BENEFITED. This Agreement shall bind and benefit the parties hereto and their respective heirs, personal representatives, successors and assigns.
16. REAL ESTATE BROKER. No real estate broker is owed a commission in connection with the sale of the Property. Each party represents and warrants to the other that it did not engage the services of

any real estate broker or agent in connection with this transaction, except as specifically provided herein.

17. ADDITIONAL PROVISIONS. Attached hereto and made a part of this Agreement is (are) -0- Addendum (Addenda), setting forth additional and/or alternative provisions of this Agreement.

THIS AGREEMENT IS A LEGALLY BINDING CONTRACT. IF YOU HAVE ANY QUESTIONS OF LAW, CONSULT YOUR ATTORNEY.

(The signature page follows.)

BUYER:

SELLER:

Address: Payne and Payne Custom Builders Inc.

By: Eric Payne, President

10750 Mayfield Rd.

Chardon, Ohio 44024

Address:

CITY OF LAKEWOOD,

By Michael P. Summers, Mayor

12650 Detroit Avenue

Lakewood, OH 44107

Date:

Phone:

Email:

Date:

Phone:

Email:

(216) 529-6600

law@lakewood.net

Approved as to Legal Form:

Jennifer L. Swallow

Chief Assistant Law Director

Exhibit A

Legal Description

Situated in the City of Lakewood, County of Cuyahoga, State of Ohio, and described as follows:

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio, Township 7 North, Range 13 West of the Connecticut Western Reserve and known as being Lot No. 1 (0.1084 acres) on the Plover/Robin Lot Split Plat for the City of Lakewood of part of Original Rockport Township Lot No. 20, as shown by the recorded plat in AFN #201710160556 of Cuyahoga County Records.

(Permanent parcel no. 315-22-120; property address: 2111 Robin Avenue, Lakewood, Ohio 44107)

NOTICE TO LEGISLATIVE
AUTHORITY

OHIO DIVISION OF LIQUOR CONTROL
6606 TUSSING ROAD, P.O. BOX 4005
REYNOLDSBURG, OHIO 43068-9005
(614)644-2360 FAX(614)644-3166

TO

8322068		NEW		SMYF LLC DBA L B M 12301 MADISON AV LAKEWOOD OH 44107	
PERMIT NUMBER		TYPE			
ISSUE DATE					
10 18 2016					
FILING DATE					
D1		PERMIT CLASSES			
18	286	C	B38927		
TAX DISTRICT		RECEIPT NO.			

FROM 01/02/2018

PERMIT NUMBER		TYPE			
ISSUE DATE					
FILING DATE					
PERMIT CLASSES					
TAX DISTRICT		RECEIPT NO.			



MAILED 01/02/2018

RESPONSES MUST BE POSTMARKED NO LATER THAN.

02/02/2018

IMPORTANT NOTICE

PLEASE COMPLETE AND RETURN THIS FORM TO THE DIVISION OF LIQUOR CONTROL
WHETHER OR NOT THERE IS A REQUEST FOR A HEARING.

REFER TO THIS NUMBER IN ALL INQUIRIES

C NEW 8322068

(TRANSACTION & NUMBER)

(MUST MARK ONE OF THE FOLLOWING)

WE REQUEST A HEARING ON THE ADVISABILITY OF ISSUING THE PERMIT AND REQUEST THAT
THE HEARING BE HELD ☐ IN OUR COUNTY SEAT. ☐ IN COLUMBUS.

WE DO NOT REQUEST A HEARING. ☐

DID YOU MARK A BOX? IF NOT, THIS WILL BE CONSIDERED A LATE RESPONSE.

PLEASE SIGN BELOW AND MARK THE APPROPRIATE BOX INDICATING YOUR TITLE:

(Signature)

(Title)- ☐ Clerk of County Commissioner

(Date)

☐ Clerk of City Council

☐ Township Fiscal Officer

CLERK OF LAKEWOOD CITY COUNCIL
12650 DETROIT AV
LAKEWOOD OHIO 44107



12650 DETROIT AVENUE 44107 216/529-6055 FAX 216/226-3650

www.onelakewood.com

Lakewood City Council

SAMUEL T. O'LEARY, PRESIDENT

DAVID ANDERSON, VICE PRESIDENT

Council at Large
THOMAS R. BULLOCK III
MEGHAN GEORGE
TRISTAN RADER

Ward Council
DAVID W. ANDERSON, WARD 1
SAM O'LEARY, WARD 2
JOHN LITTEN, WARD 3
DANIEL O'MALLEY, WARD 4

February 5, 2018

Lakewood City Council
Lakewood, Ohio 44107

Re: Resolution in Support of County Plastic Bag Fee Ordinance

Dear Colleagues,

Please find attached a resolution which strongly encourages the Honorable County Council of Cuyahoga County, Ohio to adopt Ordinance No. O2017-0006; a pollution control measure which creates a \$.10 fee to be charged for disposable plastic bags. Supporting this countywide initiative is in the best interest of our environment and Lakewood citizens' long-term health and wellbeing.

If passed, this resolution would be delivered to our Honorable County Council Member Dale Miller.

Sincerely,

Tristan Rader
Council Member At-Large

Samuel O'Leary
President of Council

RESOLUTION NO.

BY:

A RESOLUTION supporting the adoption of proposed Ordinance No. O2017-0006 by the County Council of Cuyahoga County; an ordinance creating a \$.10 fee to be charged for disposable plastic bags, countywide.

WHEREAS it is estimated that only 5% of disposable plastic bags are recycled. Many bags end up in our waterways with 5.5 million pounds of plastic pollution contaminating Lake Erie each year, and;

WHEREAS Lakewood has approximately three and a half miles of shoreline along Lake Erie and protecting this valuable resource is our responsibility and should remain our top priority, and;

WHEREAS municipalities around the nation such as Washington DC, Chicago, and Los Angeles County have instituted fees for disposable bags with great success, realizing virtually immediate reductions in litter and water pollution, and;

WHEREAS protection exists within the legislation, exempting those who use SNAP (Food Stamps) and thus avoids being regressive and is not onerous to vulnerable populations, and;

WHEREAS fees collected through this ordinance will be split between the retailer (40%) and County (60%), creating both an economic opportunity for retailers and a funding source for the County to provide environmental education and free reusable bags to the public, and;

WHEREAS supporting a disposable bag fee is consistent with the City's Community Vision which articulates a goal of adopting environmental best practices as well as the City's recently expressed focus on resiliency. Now, therefore,

BE IT RESOLVED BY THE CITY of LAKEWOOD, STATE of OHIO:

Section 1. That this Council and Mayor recognize that supporting this countywide initiative is in the best interest of our environment and our citizens' long-term health and wellbeing and support County Ordinance No. O2017-0006 as a measure to control pollution.

Section 2. That this Council and Mayor further resolve to strongly encourage the Honorable County Council of Cuyahoga County, Ohio to adopt Ordinance No. O2017-0006 by having the Clerk of Council send a copy of this signed Resolution to Lakewood's representative on County Council.

Section 3. It is found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were adopted in an open meeting of this Council, and that all such deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements.

Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR



12650 DETROIT AVENUE 44107 216/529-6055 FAX 216/226-3650

www.onelakewood.com

Lakewood City Council
SAM O'LEARY, PRESIDENT
DAVID W. ANDERSON, VICE PRESIDENT

Council at Large
THOMAS R. BULLOCK III
MEGHAN GEORGE
TRISTAN RADER

Ward Council
DAVID W. ANDERSON, WARD 1
SAM O'LEARY, WARD 2
JOHN LITTEN, WARD 3
DANIEL J. O'MALLEY, WARD 4

February 5, 2018

Lakewood City Council
Lakewood, OH 44107

Re: Resolution supporting the Ohio Fairness Act

Dear Fellow Councilmembers:

In 2016, Lakewood City Council passed Ordinance 1-16, which ensured non-discrimination protections in areas of education, housing, employment and public accomodation. Such local action was needed because – unfortunately – neither the federal or state government extend such protection to people based on sexual orientation or gender identity/expression. Nineteen other Ohio cities besides Lakewood already offer these protections, but it is a patchwork—you can literally work in one place, live in another, and lose your rights on your morning commute.

Now the Ohio House of Representatives is considering House Bill 160, which would extend the protections we offer here in Lakewood statewide. This proposed bill has already received vocal support from many Lakewood residents and business owners.

I am asking that council adopt the attached resolution expressing our support for these long-overdue changes to state law.

Sincerely,

Daniel J. O'Malley
Councilmember, Ward 4

RESOLUTION NO.

BY:

A RESOLUTION supporting the Ohio Fairness Act.

WHEREAS, the Ohio House of Representatives is currently considering House Bill 160, the Ohio Fairness Act; and,

WHEREAS, HB 160 changes Ohio's anti-discrimination laws to include sexual orientation, gender identity, and gender expression as protected classes, expanding legal protections in housing, employment, and access to public services; and,

WHEREAS, In 2016, Lakewood City Council passed Ordinance 1-16, which extended non-discrimination protection to people based on sexual orientation and gender identity/expression in areas of housing, education, employment, and public accommodation.

WHEREAS, The Ohio Fairness Act would ensure that all Ohio residents are able to enjoy basic freedom from discrimination where they work, live, and engage in commerce.

WHEREAS, Nearly three quarters of Ohioans favor employment and housing laws that make it illegal to discriminate based on sexual orientation or gender identity, and of the state's top 98 employers, over 80 have nondiscrimination policies; and,

WHEREAS, Fairness, love, family and stability are all excellent reasons to ensure that nondiscrimination legislation and equality are a reality for all Ohioans.

NOW THEREFORE, BE IT RESOLVED by the City of Lakewood:

SECTION 1: That the City of Lakewood strongly supports House Bill 160, also known as the Ohio Fairness Act, and urges members of the Ohio legislature to act with fairness and justice in ensuring that all Ohioans enjoy freedom from discrimination.

SECTION 2: That the Clerk of Council is hereby directed to send a copy of this Resolution to Ohio House Speaker Clifford Rosenberger, House Government Oversight & Accountability Committee Chair Louis W. Blessing III, Representative Nickie J. Antonio, and to all other members of the Ohio House Government Oversight & Accountability Committee.

SECTION 3. It is found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were adopted in an open meeting of this Council, and that all such deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements.

Adopted: _____

Approved: _____

President of Council

Clerk of Council

Mayor



12650 DETROIT AVENUE • 44107 • 216/521-7580 • fax 216/521-1379
Website: www.onelakewood.com

MICHAEL SUMMERS
MAYOR

January 29, 2018

Lakewood City Council
12650 Detroit Avenue
Lakewood, Ohio 44107

Re: Keep Lakewood Beautiful Board Members

Dear Members of Council,

Pursuant to L.C.O. 145.0(a), the chairwoman of the board of Keep Lakewood Beautiful has submitted the names of the following persons to me who have been appointed by the KLB board to serve as board members for their respective terms:

Carla Kowalski
Tish Marshall
Melissa Meehan
Marianne Quasebarth
Joe Stolitza
Robert McCaleb
Ruth Gillett

I would ask that this communication be received and filed without objection from Council, and thus that the board members continue to serve in their roles.

Sincerely,

Michael P. Summers



12650 DETROIT AVENUE • 44107 • 216/521-7580 • fax 216/521-1379
Website: www.onelakewood.com

MICHAEL SUMMERS
MAYOR

January 31, 2018

Re: NOPEC Grant Award Documentation & Acceptance

Dear Members of council

In follow-up to my January 10, 2018 letter notifying you of NOPEC, Inc. and NextEra's grant award to the City of Lakewood in the amount of \$216,474.00, attached please find a copy of the documentation necessary to enter into a grant agreement with NOPEC and adopt legislation to accept the grant award.

Again I ask that a discussion about the potential uses of this NOPEC grant money be referred to the appropriate City Council committee.

Respectfully submitted,

Mike Summers
Mayor



RESOLUTION NO.

BY:

A RESOLUTION to take effect immediately provided it receives the vote of at least two thirds of the members of Council, or otherwise to take effect at the earliest period allowed by law, authorizing the City of Lakewood to take all actions necessary to accept Northeast Ohio Public Energy Council (NOPEC) Energized Community Grant(s).

WHEREAS, Lakewood is a member of NOPEC and is eligible for one or more NOPEC Energized Community Grant(s) for 2018 (NEC Grant(s)) as provided for in the NEC Grant Program guidelines; and

WHEREAS, Lakewood wishes to enter into an agreement with NOPEC, Inc. to accept grant funds on an ongoing, annual basis; and

WHEREAS, Lakewood is eligible to receive \$6.00 per enrolled gas account and \$8.00 per enrolled electric account per year, totaling \$216,474.00 for 2018; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this resolution is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments in that entering into this grant agreement immediately will allow Lakewood to access the funds and begin qualifying projects; now, therefore,

BE IT RESOLVED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. The Council of the City of Lakewood hereby authorizes the Mayor to enter into any and all necessary agreements to accept the NEC Grant(s) for 2018 and to execute the grant agreement with NOPEC in substantially the same form as attached as Exhibit "A".

Section 2. It is found and determined that all formal actions of this council concerning and relating to the passage of this resolution were adopted in an open meeting of this Council, and that all such deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 3. This resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this resolution, and provided it receives the affirmative vote of at least two thirds of the members of Council this resolution shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor, or otherwise it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

President

Clerk

Approved: _____

Mayor



**NOPEC ENERGIZED COMMUNITY GRANT
GRANT AGREEMENT**

This Grant Agreement (the "Agreement") is made and entered into by and between NOPEC, Inc. ("NOPEC"), and _____, _____ County, Ohio ("Grantee"; NOPEC and Grantee, the "Parties") regarding a grant by NOPEC to Grantee to be used primarily for energy efficiency or energy infrastructure projects in accordance with NOPEC Energized Community Grant criteria, guidelines and requirements ("NOPEC Policy").

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants hereinafter set forth, the Parties hereby agree as follows:

1. **Grant of Funds.** NOPEC hereby grants a NOPEC Energized Community Grant ("NEC Grant") to Grantee in the amount calculated by NOPEC based on the number of natural gas and/or electric accounts served by NOPEC in Grantee in accordance with NOPEC Policy in the amount determined by NOPEC ("Funds"), for the purposes set forth in Grantee's Grant Application, as amended, and incorporated by reference into this Agreement for the Project(s) described on Schedule(s) to this Agreement.

2. **Use of Funds.** Grantee shall use the Funds granted by NOPEC for the Project(s) approved by NOPEC. Funds shall be paid in accordance with NOPEC Policy. NEC Grant disbursements shall be accompanied by a completed Disbursement Request Form with the expenditures supported by contracts, invoices, vouchers, and other data as appropriate as supporting documents. Funds not used in the year they are granted to Grantee may be escrowed and carried forward for up to two (2) years from NOPEC grant approval. If Grantee does not expend the Funds for the Project(s) approved by NOPEC within three (3) years of NOPEC's approval, Grantee shall forfeit any unused Funds.

3. **Accounting of Funds.** Grantee shall keep all Funds and make all disbursements and expenditures consistent with the manner in which all public funds are kept by Grantee in accordance with applicable law.

4. **Term.** The Parties agree that this Agreement shall begin on January 1, 2018, and shall expire on December 31, 2018, and shall be automatically renewed annually unless NOPEC discontinues the NEC Grant program for any subsequent year or Grantee is no longer a NOPEC member in good standing, as defined herein.

5. **Renewable Energy Credits.** Grantee shall be entitled to claim Renewable Energy Credits, carbon credits, or NOx allowances and/or allowances arising under other trading programs that may be established in the future for the Project(s). NOPEC reserves the right to claim/apply for such allowances if Grantee does not claim such allowances or this Agreement terminates. Grantee must notify NOPEC if Grantee does not wish to trade or sell any such credits or assets.

6. **Records, Access and Maintenance.** Grantee shall establish and maintain all records associated with the Funds in accordance with the Ohio Public Records Act and shall promptly make available to NOPEC all of its records with respect to matters covered by this

7. Agreement, and for NOPEC to audit, examine and make copies from such records. Grantee agrees to share and release all of its utility and other data with NOPEC, Inc. and NOPEC and its consultant(s) in order to measure, verify and otherwise track savings from energy efficiency and for such other related uses as NOPEC shall require.

8. **Property and Equipment Purchases.** All items purchased by Grantee from the Funds granted herein are and shall remain the property of Grantee.

9. **Inability to Perform.** In the event that Grantee does not or cannot complete the Project(s) or perform its obligations under this Agreement, Grantee shall immediately notify NOPEC in writing. NOPEC, with the approval of the Committee formed to award NEC Grants (the "Committee"), and Grantee shall jointly identify Project amendments or suitable Project(s) that meet NOPEC Policy.

10. **Dispute Resolution.** In the event Grantee desires clarification or explanation of, or disagrees with, any matter concerning the Agreement, or the interpretation or application of any and all federal or state statutes, rules, regulations, laws or ordinances, the matter must be submitted in writing to NOPEC, which shall convene the Committee to review and decide the matter. All decisions of the Committee shall be final and binding upon Grantee, and non-appealable.

11. **Termination.**

(a) If NOPEC determines that Grantee has failed to perform any requirements of this Agreement, or if Grantee is in default under any provision of this Agreement, or upon just cause, as shall be determined by the Committee, NOPEC, upon approval by the Committee, may terminate the Agreement at any time after providing Grantee with written notice and a period of at least thirty (30) days to cure any and all defaults under this Agreement. During such thirty day cure period, Grantee shall incur only those obligations or expenditures which are necessary to enable Grantee to continue to achieve compliance with the terms of this Agreement.

(b) This Agreement shall automatically terminate if Grantee is not a NOPEC member in good standing. A NOPEC member in good standing means a Northeast Ohio Public Energy Council member whose residents are receiving service from Northeast Ohio Public Energy Council's natural gas or electric aggregation program and which has not provided written notice to withdraw from such Northeast Ohio Public Energy Council's natural gas or electric aggregation program.

12. **Effects of Termination.**

(a) Within sixty (60) days after termination of this Agreement, Grantee shall surrender all reports, data, documents, and other materials assembled and prepared pursuant to this Agreement which shall become the property of NOPEC. Upon surrender of such material, Grantee shall receive Funds only as to a Project that had been approved for a NEC Grant by NOPEC prior to such termination.

(b) The Committee also may withhold final installment payment of the Funds or require Grantee to return all or any part of the Funds awarded if Grantee is found to have violated the provisions of this Agreement. Notwithstanding any other provision in this Agreement, if Grantee either withdraws from membership in the Northeast Ohio Public Energy Council or from

its electric or natural gas aggregation program(s), Grantee shall no longer be eligible for any NEC Grants. The provisions of this paragraph are in addition to the termination provisions of this Agreement and to any payments required under the Northeast Ohio Public Energy Council Bylaws and the Northeast Ohio Public Energy Council of Governments Agreement with its member communities in connection with any such withdrawal.

13. **Liability.** Grantee shall maintain, or cause any vendors or subcontractors to maintain, all required liability and property insurance to cover actionable legal claims for liability or loss which are the result of injury to or death of any person, damage to property caused by the negligent acts or omissions, or negligent conduct of the Grantee. To the extent permitted by law, in connection with activities conducted in connection with this Agreement. Grantee agrees to defend NOPEC and pay any judgments and costs arising out of such negligent acts or omissions, and nothing in this Agreement shall impute or transfer any liability of any nature whatsoever from Grantee to NOPEC, Inc. or the Northeast Ohio Public Energy Council.

14. **Compliance with Laws.** Grantee agrees to comply with all applicable federal, state, and local laws in the performance of the Project. Grantee is solely responsible for payments of all unemployment compensation, insurance premiums, workers' compensation premiums, all income tax deductions, social security deductions, and any and all other taxes or payroll deductions required for all employees engaged by Grantee on the performance of the work authorized by this Agreement.

15. **Miscellaneous.**

(a) **Governing Law.** The laws of the State of Ohio shall govern this Agreement. All actions regarding this Agreement shall be venued in a court of competent subject matter jurisdiction in Cuyahoga County, Ohio.

(b) **Entire Agreement.** This Agreement and any documents referred to herein constitute the complete understanding of the Parties and merge and supersede any and all other discussions, agreements and understandings, either oral or written, between the Parties with respect to the subject matter hereof.

(c) **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions of this Agreement.

(d) **Notices.** All notices, consents, demands, requests and other communications which may, or are required to be, given hereunder shall be in writing and delivered to the addresses set forth hereunder or to such other address as the other party hereto may designate from time to time:

In case of NOPEC, to:

Charles W. Keiper, II
President
NOPEC, Inc.
31360 Solon Road
Suite 33
Solon, OH 44139

In case of Grantee, to:

Fiscal Officer (or other position)

_____, Ohio _____

(e) Amendments or Modifications. Either party may at any time during the term of this Agreement request amendments or modifications. Requests for amendment or modification of this Agreement shall be in writing and shall specify the requested changes and justification therefor. The Parties shall review the request for modification in terms of the Project and NOPEC Policy. Should the Parties consent to modification of the Agreement, then an amendment shall be drawn, approved, and executed in the same manner as the original Agreement.

(f) Headings. Section headings contained in this Agreement are inserted for convenience only and shall not be deemed to be a part of this Agreement.

(g) Assignment. Neither this Agreement nor any rights, duties or obligations described herein, shall be assigned or subcontracted by Grantee without the prior express written consent of NOPEC.

(h) Authority. The undersigned represents and warrants to the other that each has all the necessary legal power and authority to enter into this Agreement. Grantee further represents and warrants to NOPEC that it has received all necessary approvals from Grantee's legislative authority for Grantee to accept the NEC Grant and enter into this Agreement.

(i) Determinations by NOPEC Final. All determinations as to eligibility of any project for an award of any NEC Grant, and the amount and payment schedule of a NEC Grant, will be made by NOPEC and its Committee, which shall be final, conclusive and binding upon Grantee.

(j) Designation of Grantee Representative. Grantee hereby designates its [Fiscal Officer] to take all actions with respect to the NEC Grant and this Agreement as may be required and NOPEC shall be entitled to rely on the authority of such designated representative of Grantee in connection with this Agreement.

(k) Marketing Consent. Grantee hereby authorizes NOPEC, Inc. and NOPEC to use information about Grantee's grant(s) and project(s) in any marketing they may conduct, and agrees to cooperate with NOPEC in connection with such marketing.

[Signature Page to Follow.]

IN WITNESS WHEREOF, the Parties hereto have executed this Grant Agreement on the last date set forth below.

GRANTEE:

NOPEC, INC.:

_____, Ohio

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

[Signature page to NOPEC Energized Community Grant Agreement.]

SCHEDULE
PROJECT(S)



12650 DETROIT AVENUE • 44107 • 216/529-6092 • FAX 216/529-6806

Jennifer R. Pae
Director of Finance

February 5, 2018

Lakewood City Council
Lakewood, OH 44107

Re: Income Tax Ordinance Amendments

Dear Members of Council:

Once again, municipalities in Ohio are faced with an impending deadline to make state-mandated changes to their municipal income tax code—this time, due to changes made to Ohio Revised Code 718.08 by the passage of House Bill 49. As usual, these changes were mandated without giving due consideration to municipal fiscal integrity.

The first change moves the fourth quarter estimate due date for individuals from December 15th of the current year to January 15th of the following year, starting with the 2018 tax year. The second change further clarifies that the penalty for unpaid withholding tax is not to exceed 50% of the amount not paid timely.

Please refer to the Finance Committee for further discussion.

Sincerely,

Jennifer R. Pae
Director of Finance

ORDINANCE NO.

BY:

AN ORDINANCE to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect at the earliest period allowed by law, to adopt sections 128.22 through 128.2215 of the Codified Ordinances as mandated by the state legislature to authorize state officials to collect and administer municipal net profit taxes.

WHEREAS, in House Bill (H.B.) 49 of the 132nd General Assembly, the State's general appropriations bill for the biennium, includes Section 803.100 purporting to require that municipalities, on or before January 31, 2018, adopt certain municipal income tax provisions that are also adopted within H.B. 49 to authorize State officials to collect and administer municipal net profits taxes; and

WHEREAS, Section 803.100 of H.B. 49 references and relies upon Section 718.04(A) of the Ohio Revised Code, which purports to make municipal income taxing authority conditional upon a municipality's adoption of code sections as dictated by the State; and

WHEREAS, although the municipal income tax provisions of H.B. 49, and Section 718.04(A) of the Ohio Revised Code, violate the Home Rule Amendment, the City nevertheless is compelled to adopt H.B. 49's municipal income tax provisions, on or before January 31, 2018, to avoid any doubt or taxpayer challenge as to its ability to impose a municipal income tax under the terms of Section 803.100 of H.B. 49 and Section 718.04(A) of the Ohio Revised Code; and

WHEREAS, Lakewood is a party to ongoing litigation seeking a declaration that the H.B. 49 municipal income tax provisions, Section 718.04(A) of the Ohio Revised Code, and other provisions of Ohio law that usurp the powers of local self-government are unconstitutional, and to enjoin all actions by state officials to implement the H.B. 49 municipal income tax provisions; and

WHEREAS, Lakewood, by enacting this Ordinance, does not concede the legality of H.B. 49's municipal income tax provisions, Section 718.04(A) of the Ohio Revised Code, or any other law that is subject to the suit in which Lakewood is participating, and reserves its right to continue prosecution of that lawsuit; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this ordinance is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments, in that these new code sections must be in effect no later than January 31, 2018; now, therefore

BE IT ORDAINED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. New sections 128.22 through 128.2215 of the Codified Ordinances, authorizing state officials to collect and administer municipal net profit taxes, are hereby enacted to read as follows:

128.22 FILING NET PROFIT TAXES; ELECTION TO BE SUBJECT TO PROVISIONS OF CHAPTER.

(a) A taxpayer may elect to be subject to sections 128.22 to 128.2215 of the Codified Ordinances in lieu of the provisions set forth in the remainder of this chapter. Notwithstanding any other provision of this chapter, upon the taxpayer's election, both of the following shall apply:

(1) The state tax commissioner shall serve as the sole administrator of the municipal net profit tax for which the taxpayer as defined in 128.2201(c) of the Codified Ordinances is liable for the term of the election;

(2) The commissioner shall administer the tax pursuant to sections 718.80 to 718.95 of the Revised Code, sections 128.22 to 128.2215 of the Codified Ordinances, and any applicable provision of Chapter 5703. of the Revised Code.

(b)(1) A taxpayer shall make the initial election on or before the first day of the third month after the beginning of the taxpayer's taxable year by notifying the tax commissioner and the City, on a form prescribed by the tax commissioner.

(2)(A) The election, once made by the taxpayer, applies to the taxable year in which the election is made and to each subsequent taxable year until the taxpayer notifies the

tax commissioner and the City of its termination of the election.

(B) A notification of termination shall be made, on a form prescribed by the tax commissioner, on or before the first day of the third month of any taxable year.

(C) Upon a timely and valid termination of the election, the taxpayer is no longer subject to sections 128.22 to 128.2215 of the Codified Ordinances, and is instead subject to the provisions set forth in the remainder of this chapter.

(c) The tax commissioner shall enforce and administer sections 128.22 to 128.2215 of the Codified Ordinances. In addition to any other powers conferred upon the tax commissioner by law, the tax commissioner may:

(1) Prescribe all forms necessary to administer those sections;

(2) Adopt such rules as the tax commissioner finds necessary to carry out those sections;

(3) Appoint and employ such personnel as are necessary to carry out the duties imposed upon the tax commissioner by those sections.

(d) The tax commissioner shall not be considered a tax administrator, as that term is defined in section 718.01 of the Revised Code and Section 128.03 (qq) of the City Codified Ordinances.

128.2201 DEFINITIONS.

If a term used in sections 128.22 to 128.2215 of the Codified Ordinances that is not otherwise defined in this chapter is used in a comparable context in both the laws of the United States relating to federal income tax and in Title LVII of the Revised Code and the use is not consistent, then the use of the term in the laws of the United States relating to federal income tax shall have control over the use of the term in Title LVII of the Revised Code, unless the term is defined in Chapter 5703 of the Revised Code, in which case the definition in that chapter shall control. Any reference in this chapter to the Internal Revenue Code includes other laws of the United States related to federal income taxes. If a term is defined in both this section and section 128.03 of the Codified Ordinances, the definition in this section shall control for all uses of that term in sections 128.22 to 128.2215 of the Codified Ordinances.

As used in sections 128.22 to 128.2215 of the Codified Ordinances only:

(a) “Municipal taxable income” means income apportioned or situated to the municipal corporation under section 128.2202 of the Codified Ordinances, as applicable, reduced by any pre-2017 net operating loss carryforward available to the person for the municipal corporation.

(b) “Adjusted federal taxable income,” for a person required to file as a C corporation, or for a person that has elected to be taxed as a C corporation as described in division (D)(5) of section 718.01 of the Revised Code and section 128.03 of the Codified Ordinances, means a C corporation’s federal taxable income before net operating losses and special deductions as determined under the Internal Revenue Code, adjusted as follows:

(1) Deduct intangible income to the extent included in federal taxable income. The deduction shall be allowed regardless of whether the intangible income relates to assets used in a trade or business or assets held for the production of income.

(2) Add an amount equal to five per cent of intangible income deducted under subsection (b)(1) of this section, but excluding that portion of intangible income directly related to the sale, exchange, or other disposition of property described in section 1221 of the Internal Revenue Code.

(3) Add any losses allowed as a deduction in the computation of federal taxable income if the losses directly relate to the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code.

(4)(A) Except as provided in subsection (b)(4)(B) of this section, deduct income and gain included in federal taxable income to the extent the income and gain directly relate to the sale, exchange, or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code.

(B) Subsection (b)(4)(A) of this section does not apply to the extent the income or gain is income or gain described in section 1245 or 1250 of the Internal Revenue Code.

(5) Add taxes on or measured by net income allowed as a deduction in the computation of federal taxable income.

(6) In the case of a real estate investment trust or regulated investment company, add all amounts with respect to dividends to, distributions to, or amounts set aside for or credited to the benefit of investors and allowed as a deduction in the computation of federal taxable income.

(7) Deduct, to the extent not otherwise deducted or excluded in computing federal taxable income, any income derived from a transfer agreement or from the enterprise transferred under that agreement under section 4313.02 of the Revised Code.

(8) Deduct exempt income to the extent not otherwise deducted or excluded in computing adjusted federal taxable income.

(9) Deduct any net profit of a pass-through entity owned directly or indirectly by the taxpayer and included in the taxpayer's federal taxable income unless an affiliated group of corporations includes that net profit in the group's federal taxable income in accordance with subsection (e)(3)(B) of section 128.2206 of the Codified Ordinances.

(10) Add any loss incurred by a pass-through entity owned directly or indirectly by the taxpayer and included in the taxpayer's federal taxable income unless an affiliated group of corporations includes that loss in the group's federal taxable income in accordance with subsection (e)(3)(B) of section 128.2206 of the Codified Ordinances.

If the taxpayer is not a C corporation, is not a disregarded entity that has made the election described in section 718.01 (L) (2) of the revised code, and is not a publicly traded partnership that has made the election described in section 718.01 (D) (5) of the revised code, the taxpayer shall compute adjusted federal taxable income under this section as if the taxpayer were a C corporation, except guaranteed payments and other similar amounts paid or accrued to a partner, former partner, shareholder, former shareholder, member, or former member shall not be allowed as a deductible expense unless such payments are in consideration for the use of capital and treated as payment of interest under section 469 of the Internal Revenue Code or United States treasury regulations. Amounts paid or accrued to a qualified self-employed retirement plan with respect to a partner, former partner, shareholder, former shareholder, member, or former member of the taxpayer, amounts paid or accrued to or for health insurance for a partner, former partner, shareholder, former shareholder, member, or former member, and amounts paid or accrued to or for life insurance for a partner, former partner, shareholder, former shareholder, member, or former member shall not be allowed as a deduction.

Nothing in subsection (b) of this section shall be construed as allowing the taxpayer to add or deduct any amount more than once or shall be construed as allowing any taxpayer to deduct any amount paid to or accrued for purposes of federal self-employment tax.

(c) "Taxpayer" has the same meaning as in section 128.03 tt (1) of the Codified Ordinances, except that "taxpayer" does not include natural persons or entities subject to the tax imposed under Chapter 5745. of the Revised Code. "Taxpayer" may include receivers, assignees, or trustees in bankruptcy when such persons are required to assume the role of a taxpayer.

(d) "Tax return" or "return" means the notifications and reports required to be filed pursuant to sections 128.22 to 128.2215 of the Codified Ordinances for the purpose of reporting municipal income taxes, and includes declarations of estimated tax.

(e) "Taxable year" means the calendar year or the taxpayer's fiscal year ending during the calendar year, or fractional part thereof, upon which the calculation of the taxpayer's adjusted federal taxable income is based pursuant to this chapter. If a taxpayer's taxable year is changed for federal income tax purposes, the taxable year for purposes of sections 128.22 to 128.2215 of the Codified Ordinances is changed accordingly but may consist of an aggregation of more than one taxable year for federal income tax purposes. The tax commissioner may prescribe by rule an appropriate period as the taxable year for a taxpayer that has had a change of its taxable year for federal income tax purposes, for a taxpayer that has two or more short taxable years for federal income tax purposes as the result of a change of ownership, or for a new taxpayer that would otherwise have no taxable year.

(f) "Assessment" means a notice of underpayment or nonpayment of a tax issued pursuant to section 128.2210 of the Codified Ordinances.

128.2202 APPLICABILITY; TAXABLE SITUS; APPORTIONMENT.

This section applies to any taxpayer that is engaged in a business or profession in the City and that has made the election under section 128.22 of the Codified Ordinances.

(a) Except as otherwise provided in subsection (b) of this section, net profit from a business or profession conducted both within and without the boundaries of the City shall be considered as having a taxable situs in the City for purposes of municipal income taxation in the same proportion as the average ratio of the following:

(1) The average original cost of the real property and tangible personal property owned or used by the taxpayer in the business or profession in the City during the taxable period to the average original cost of all of the real and tangible personal property owned or used by the taxpayer in the business or profession during the same period, wherever situated.

As used in the preceding paragraph, tangible personal or real property shall include property rented or leased by the taxpayer and the value of such property shall be determined by multiplying the annual rental thereon by eight;

(2) Wages, salaries, and other compensation paid during the taxable period to individuals employed in the business or profession for services performed in the City to wages, salaries, and other compensation paid during the same period to individuals employed in the business or profession, wherever the individual's services are performed, excluding compensation from which taxes are not required to be withheld under section 128.052 of the Codified Ordinances;

(3) Total gross receipts of the business or profession from sales and rentals made and services performed during the taxable period in the City to total gross receipts of the business or profession during the same period from sales, rentals, and services, wherever made or performed.

(b)(1) If the apportionment factors described in subsection (a) of this section do not fairly represent the extent of a taxpayer's business activity in the City, the taxpayer may request, or the tax commissioner may require, that the taxpayer use, with respect to all or any portion of the income of the taxpayer, an alternative apportionment method involving one or more of the following:

(A) Separate accounting;

(B) The exclusion of one or more of the factors;

(C) The inclusion of one or more additional factors that would provide for a more fair apportionment of the income of the taxpayer to the municipal corporation;

(D) A modification of one or more of the factors.

(2) A taxpayer request to use an alternative apportionment method shall be in writing and shall accompany a tax return, timely filed appeal of an assessment, or timely filed amended tax return. The taxpayer may use the requested alternative method unless the tax commissioner denies the request in an assessment issued within the period prescribed by subsection (a) of section 128.2210 of the Codified Ordinances.

(3) The tax commissioner may require a taxpayer to use an alternative apportionment method as described in subsection (b)(1) of this section only by issuing an assessment to the taxpayer within the period prescribed by subsection (a) of section 128.2210 of the Codified Ordinances.

(c) As used in subsection (a)(2) of this section, "wages, salaries, and other compensation" includes only wages, salaries, or other compensation paid to an employee for services performed at any of the following locations:

(1) A location that is owned, controlled, or used by, rented to, or under the possession of one of the following:

(A) The employer;

(B) A vendor, customer, client, or patient of the employer, or a related member of such a vendor, customer, client, or patient;

(C) A vendor, customer, client, or patient of a person described in subsection (c)(1)(b) of this section, or a related member of such a vendor, customer, client, or patient.

(2) Any location at which a trial, appeal, hearing, investigation, inquiry, review, court-martial, or similar administrative, judicial, or legislative matter or proceeding is being conducted, provided that the compensation is paid for services performed for, or on behalf of, the employer or that the employee's presence at the location directly or indirectly benefits the employer;

(3) Any other location, if the tax commissioner determines that the employer directed the employee to perform the services at the other location in lieu of a location described in subsection (c)(1) or (2) of this section solely in order to avoid or reduce the employer's municipal income tax liability. If the tax commissioner makes such a determination, the employer may dispute the

determination by establishing, by a preponderance of the evidence, that the tax commissioner's determination was unreasonable.

(d) For the purposes of subsection (a)(3) of this section, receipts from sales and rentals made and services performed shall be situated to the City as follows:

(1) Gross receipts from the sale of tangible personal property shall be situated to the City only if, regardless of where title passes, the property meets either of the following criteria:

(a) The property is shipped to or delivered within the City from a stock of goods located within the City.

(b) The property is delivered within the City from a location outside the City, provided the taxpayer is regularly engaged through its own employees in the solicitation or promotion of sales within the City and the sales result from such solicitation or promotion.

(2) Gross receipts from the sale of services shall be situated to the City to the extent that such services are performed in the City.

(3) To the extent included in income, gross receipts from the sale of real property located in the City shall be situated to the City.

(4) To the extent included in income, gross receipts from rents and royalties from real property located in the City shall be situated to the City.

(5) Gross receipts from rents and royalties from tangible personal property shall be situated to the City based upon the extent to which the tangible personal property is used in the City.

(e) Commissions received by a real estate agent or broker relating to the sale, purchase, or lease of real estate shall be situated to the City in which the real estate is located. Net profit reported by the real estate agent or broker shall be allocated to the City based upon the ratio of the commissions the agent or broker received from the sale, purchase, or lease of real estate located in the City to the commissions received from the sale, purchase, or lease of real estate everywhere in the taxable year.

(f) If, in computing a taxpayer's adjusted federal taxable income, the taxpayer deducted any amount with respect to a stock option granted to an employee, and if the employee is not required to include in the employee's income any such amount or a portion thereof because it is exempted from taxation under section 718.01 of the revised code, the taxpayer shall add the amount that is exempt from taxation to the taxpayer's net profit that was apportioned to the City. In no case shall a taxpayer be required to add to its net profit that was apportioned to the City any amount other than the amount upon which the employee would be required to pay tax were the amount related to the stock option not exempted from taxation.

This subsection applies solely for the purpose of making an adjustment to the amount of a taxpayer's net profit that was apportioned to the City under this section.

(g) When calculating the ratios described in subsection (a) of this section for the purposes of that subsection or subsection (b) of this section, the owner of a disregarded entity shall include in the owner's ratios the property, payroll, and gross receipts of such disregarded entity.

**128.2203 INFORMATION PROVIDED TO TAX ADMINISTRATOR;
CONFIDENTIALITY.**

(a) Any information gained as a result of returns, investigations, hearings, or verifications required or authorized by sections 128.22 to 128.2215 of the Codified Ordinances is confidential, and no person shall disclose such information, except for official purposes, in accordance with a proper judicial order, or as provided in section 4123.271 or 5703.21 of the Revised Code. The tax commissioner may furnish the internal revenue service with copies of returns filed. This section does not prohibit the publication of statistics in a form which does not disclose information with respect to particular taxpayers.

(b) In May and November of each year, the tax commissioner shall provide the City tax commissioner with the following information for every taxpayer that filed tax returns with the commissioner under sections 128.22 to 128.2215 of the Codified Ordinances and that had municipal taxable income apportionable to the City under this chapter for any prior year:

- (1) The taxpayer's name, address, and federal employer identification number;
- (2) The taxpayer's apportionment ratio for, and amount of municipal taxable income apportionable to, the City pursuant to section 128.2202 of the Codified Ordinances;
- (3) The amount of any pre-2017 net operating loss carryforward utilized by the taxpayer;
- (4) Whether the taxpayer requested that any overpayment be carried forward to a future taxable year;
- (5) The amount of any credit claimed under section 718.94 of the Revised Code.

(c) Not later than thirty days after each distribution made to municipal corporations under section 718.83 of the Revised Code, the tax commissioner shall provide to the City a report stating the name and federal identification number of every taxpayer that made estimated payments that are attributable to the City and the amount of each such taxpayer's estimated payment.

(d) The information described under subsections (b) and (c) of this section shall be provided to the individual or individuals designated by the City tax commissioner under section 718.83(D) of the Revised Code.

(E)(e)(1) The City expects that the tax commissioner will, pursuant to section 718.84(E) of the Revised Code, provide tax returns and other information it receives in the performance of its administration of the municipal net profits tax for taxpayers making the election provided in section 128.22 of the Codified Ordinances. The tax commissioner shall review these returns and information, as well as the information received pursuant to subsections (b) and (c) of this section, and has discretion to refer any taxpayer for audit by the tax commissioner. Such referral shall be made on a form prescribed by the

commissioner and shall include any information that forms the basis for the referral.

(2) if the tax commissioner declines to audit a taxpayer referred by the tax commissioner under this section, the City reserves its right to pursue any and all remedies, whether at law or in equity, to ensure that the correct tax liability has been calculated and paid by the taxpayer.

128.2204 FILING OF ANNUAL RETURN; REMITTANCE; DISPOSITION OF FUNDS.

(a)(1) For each taxable year, every taxpayer shall file an annual return. Such return, along with the amount of tax shown to be due on the return less the amount paid for the taxable year under section 128.2208 of the Codified Ordinances, shall be submitted to the tax commissioner, on a form and in the manner prescribed by the commissioner, on or before the fifteenth day of the fourth month following the end of the taxpayer's taxable year.

(2) If a taxpayer has multiple taxable years ending within one calendar year, the taxpayer shall aggregate the facts and figures necessary to compute the tax due under this chapter, in accordance with sections 128.2201, 128.2202, and, if applicable, 128.2206 of the Codified Ordinances onto its annual return.

(3) The remittance shall be made payable to the treasurer of state and in the form prescribed by the tax commissioner. If the amount payable with the tax return is ten dollars or less, no remittance is required.

(b)(1) Each return required to be filed under this section shall contain the signature of the taxpayer or the taxpayer's duly authorized agent and of the person who prepared the return for the taxpayer, and shall include the taxpayer's identification number. Each return shall be verified by a declaration under penalty of perjury.

(2)(A) The tax commissioner may require a taxpayer to include, with each annual tax return, amended return, or request for refund filed with the commissioner under sections 128.22 to 128.2215 of the Codified Ordinances, copies of any relevant documents or other information.

(B) A taxpayer that files an annual tax return electronically through the Ohio business gateway or in another manner as prescribed by the tax commissioner shall either submit the documents required under this subsection electronically as prescribed at the time of filing or, if electronic submission is not available, mail the documents to the tax commissioner. The department of taxation shall publish a method of electronically submitting the documents required under this subsection on or before January 1, 2019.

(3) After a taxpayer files a tax return, the tax commissioner may request, and the taxpayer shall provide, any information, statements, or documents required to determine and verify the taxpayer's municipal income tax.

(d)(1)(A) Any taxpayer that has duly requested an automatic extension for filing the taxpayer's federal income tax return shall automatically receive an extension for the filing of a tax return with the commissioner under this section. The extended due date of the return shall be the fifteenth day of the tenth month after the last day of the taxable year to which the return relates.

(B) A taxpayer that has not requested or received a six-month extension for filing the taxpayer's federal income tax return may request that the commissioner grant the taxpayer a six-month extension of the date for filing the taxpayer's municipal income tax return. If the commissioner receives the request on or before the date the municipal income tax return is due, the commissioner shall grant the taxpayer's extension request.

(C) An extension of time to file under subsection (d)(1) of this section is not an extension of the time to pay any tax due unless the tax commissioner grants an extension of that date.

(2) If the commissioner considers it necessary in order to ensure payment of a tax imposed in accordance with section 128.012 of the Codified Ordinances, the commissioner may require taxpayers who have made the election under section 128.22 of the Codified Ordinances to file returns and make payments otherwise than as provided in this section, including taxpayers not otherwise required to file annual returns.

(e) Each return required to be filed in accordance with this section shall include a box that the taxpayer may check to authorize another person, including a tax return preparer who prepared the return, to communicate with the tax commissioner about matters pertaining to the return. The return or instructions accompanying the return shall indicate that by checking the box the taxpayer authorizes the commissioner to contact the preparer or other person concerning questions that arise during the examination or other review of the return and authorizes the preparer or other person only to provide the commissioner with information that is missing from the return, to contact the commissioner for information about the examination or other review of the return or the status of the taxpayer's refund or payments, and to respond to notices about mathematical errors, offsets, or return preparation that the taxpayer has received from the commissioner and has shown to the preparer or other person.

(f) When income tax returns or other documents require the signature of a tax return preparer, the tax commissioner shall accept a facsimile or electronic version of such a signature in lieu of a manual signature.

128.2205 ELECTRONIC FILING.

(a) All taxpayers that have made the election allowed under section 128.22 of the Codified Ordinances shall file any tax return or extension for filing a tax return, and shall make payment of amounts shown to be due on such returns, electronically, either through the Ohio business gateway or in another manner as prescribed by the tax commissioner.

(b) A taxpayer may apply to the commissioner, on a form prescribed by the commissioner, to be excused from the requirement to file returns and make payments electronically. For good cause shown, the commissioner may excuse the applicant from the requirement and permit the applicant to file the returns or make the payments by nonelectronic means.

(c) The tax commissioner may adopt rules establishing the following:

(1) The format of documents to be used by taxpayers to file returns and make payments by electronic means;

(2) The information taxpayers must submit when filing tax returns by electronic means.

128.2206 CONSOLIDATED RETURNS.

(a) As used in this section:

(1) "Affiliated group of corporations" means an affiliated group as defined in section 1504 of the Internal Revenue Code, except that, if such a group includes at least one incumbent local exchange carrier that is primarily engaged in the business of providing local exchange telephone service in this state, the affiliated group shall not include any incumbent local exchange carrier that would otherwise be included in the group.

(2) "Consolidated federal income tax return" means a consolidated return filed for federal income tax purposes pursuant to section 1501 of the Internal Revenue Code.

(3) "Consolidated federal taxable income" means the consolidated taxable income of an affiliated group of corporations, as computed for the purposes of filing a consolidated federal income tax return, before consideration of net operating losses or special deductions. "Consolidated federal taxable income" does not include income or loss of an incumbent local exchange carrier that is excluded from the affiliated group under subsection (a)(1) of this section.

(4) "Incumbent local exchange carrier" has the same meaning as in section 4927.01 of the Revised Code.

(5) "Local exchange telephone service" has the same meaning as in section 5727.01 of the Revised Code.

(b)(1) A taxpayer that is a member of an affiliated group of corporations may elect to file a consolidated tax return for a taxable year if at least one member of the affiliated group of corporations is subject to municipal income tax in that taxable year and if the affiliated group of corporations filed a consolidated federal income tax return with respect to that taxable year. The election is binding for a five-year period beginning with the first taxable year of the initial election unless a change in the reporting method is required under federal law. The election continues to be binding for each subsequent five-year period unless the taxpayer elects to discontinue filing consolidated tax returns under subsection (b)(2) of this section or a taxpayer receives permission from the tax commissioner. The tax commissioner shall approve such a request for good cause shown.

(2) An election to discontinue filing consolidated tax returns under this section must be made on or before the fifteenth day of the fourth month of the year following the last year of a five-year consolidated tax return election period in effect under subsection (b)(1) of this section. The election to discontinue filing a consolidated tax return is binding for a five-year period beginning with the first taxable year of the election.

(3) An election made under subsection (b)(1) or (2) of this section is binding on all members of the affiliated group of corporations subject to a municipal income tax.

(4) When a taxpayer makes the election allowed under section 128.22 of the Codified Ordinances, a valid election made by the taxpayer under subsection (b)(1) or (2) of section 128.063 of the Codified Ordinances is binding upon the tax commissioner for the remainder of the five-year period.

(5) When an election made under section 128.22 of the Codified Ordinances is terminated, a valid election made under this section is binding upon the tax commissioner for the remainder of the five-year period.

(c) A taxpayer that is a member of an affiliated group of corporations that filed a consolidated federal income tax return for a taxable year shall file a consolidated tax return for that taxable year if the tax commissioner determines, by a preponderance of the evidence, that intercompany transactions have not been conducted at arm's length and that there has been a distortive shifting of income or expenses with regard to allocation of net profits to a municipal corporation. A taxpayer that is required to file a consolidated tax return for a taxable year shall file a consolidated tax return for all subsequent taxable years unless the taxpayer requests and receives written permission from the commissioner to file a separate return or a taxpayer has experienced a change in circumstances.

(d) A taxpayer shall prepare a consolidated tax return in the same manner as is required under the United States department of treasury regulations that prescribe procedures for the preparation of the consolidated federal income tax return required to be filed by the common parent of the affiliated group of which the taxpayer is a member.

(e)(1) Except as otherwise provided in subsections (e)(2), (3), and (4) of this section, corporations that file a consolidated tax return shall compute adjusted federal taxable income, as defined in section 128.2201 of the Codified Ordinances, by substituting "consolidated federal taxable income" for "federal taxable income" wherever "federal taxable income" appears in that subsection and by substituting "an affiliated group of corporation's" for "a C corporation's" wherever "a C corporation's" appears in that subsection.

(2) No corporation filing a consolidated tax return shall make any adjustment otherwise required under subsection (b) of section 128.2201 of the Codified Ordinances to the extent that the item of income or deduction otherwise subject to the adjustment has been eliminated or consolidated in the computation of consolidated federal taxable income.

(3) If the net profit or loss of a pass-through entity having at least eighty per cent of the value of its ownership interest owned or controlled, directly or indirectly, by an affiliated group of corporations is included in that affiliated group's consolidated federal taxable income for a taxable year, the corporation filing a consolidated tax return shall do one of the following with respect to that pass-through entity's net profit or loss for that taxable year:

(A) Exclude the pass-through entity's net profit or loss from the consolidated federal taxable income of the affiliated group and, for the purpose of making the computations required in section 128.2202 of the Codified Ordinances, exclude the property, payroll, and gross receipts of the pass-through entity in the computation of the affiliated group's net profit situated to a municipal corporation. If the entity's net profit or loss is so excluded, the entity shall be subject to taxation as a separate taxpayer on the basis of the entity's net profits

that would otherwise be included in the consolidated federal taxable income of the affiliated group.

(B) Include the pass-through entity's net profit or loss in the consolidated federal taxable income of the affiliated group and, for the purpose of making the computations required in section 128.2202 of the Codified Ordinances, include the property, payroll, and gross receipts of the pass-through entity in the computation of the affiliated group's net profit situated to a municipal corporation. If the entity's net profit or loss is so included, the entity shall not be subject to taxation as a separate taxpayer on the basis of the entity's net profits that are included in the consolidated federal taxable income of the affiliated group.

(4) If the net profit or loss of a pass-through entity having less than eighty per cent of the value of its ownership interest owned or controlled, directly or indirectly, by an affiliated group of corporations is included in that affiliated group's consolidated federal taxable income for a taxable year, all of the following shall apply:

(A) The corporation filing the consolidated tax return shall exclude the pass-through entity's net profit or loss from the consolidated federal taxable income of the affiliated group and, for the purposes of making the computations required in section 128.2202 of the Codified Ordinances, exclude the property, payroll, and gross receipts of the pass-through entity in the computation of the affiliated group's net profit situated to a municipal corporation;

(B) The pass-through entity shall be subject to municipal income taxation as a separate taxpayer in accordance with sections 128.22 to 128.2215 of the Codified Ordinances on the basis of the entity's net profits that would otherwise be included in the consolidated federal taxable income of the affiliated group.

(f) Corporations filing a consolidated tax return shall make the computations required under section 128.2202 of the Codified Ordinances by substituting "consolidated federal taxable income attributable to" for "net profit from" wherever "net profit from" appears in that section and by substituting "affiliated group of corporations" for "taxpayer" wherever "taxpayer" appears in that section.

(g) Each corporation filing a consolidated tax return is jointly and severally liable for any tax, interest, penalties, fines, charges, or other amounts applicable under section 128.22 to 128.2215 of the Codified Ordinances or Chapter 5703. of the Revised Code to the corporation, an affiliated group of which the corporation is a member for any portion of the taxable year, or any one or more members of such an affiliated group.

128.2207 FAILURE TO PAY TAX.

If a taxpayer that has made the election allowed under 128.22 of the Codified Ordinances fails to pay any tax as required under sections 128.22 to 128.2215 of the Codified Ordinances, or any portion of that tax, on or before the date prescribed for its payment, interest shall be assessed, collected, and paid, in the same manner as the tax, upon such unpaid amount at the rate per annum prescribed by section 5703.47 of the Revised Code from the date prescribed for its payment until it is paid or until the date an assessment is issued under section 128.22 of the Codified Ordinances, whichever occurs first.

128.2208 DECLARATION OF ESTIMATED TAXES.

(a) As used in this section:

(1) "Combined tax liability" means the total amount of a taxpayer's income tax liabilities to all municipal corporations in this state for a taxable year.

(2) "Estimated taxes" means the amount that the taxpayer reasonably estimates to be the taxpayer's combined tax liability for the current taxable year.

(b)(1) Except as provided in subsection (b)(4) of this section, every taxpayer shall make a declaration of estimated taxes for the current taxable year, on the form prescribed by the tax commissioner, if the amount payable as estimated taxes is at least two hundred dollars.

(2) Except as provided in subsection (b)(4) of this section, a taxpayer having a taxable year of less than twelve months shall make a declaration under rules prescribed by the commissioner.

(3) The declaration of estimated taxes shall be filed on or before the fifteenth day of the fourth month after the beginning of the taxable year or on or before the fifteenth day of the fourth month after the taxpayer becomes subject to tax for the first time.

(4) The tax commissioner may waive the requirement for filing a declaration of estimated taxes for any class of taxpayers after finding that the waiver is reasonable and proper in view of administrative costs and other factors.

(c) Each taxpayer shall file the declaration of estimated taxes with, and remit estimated taxes to, the tax commissioner at the times and in the amounts prescribed in subsection (c)(1) of this section. Remitted taxes shall be made payable to the treasurer of state.

(1) The required portion of the combined tax liability for the taxable year that shall be paid through estimated taxes shall be as follows:

(A) On or before the fifteenth day of the fourth month after the beginning of the taxable year, twenty-two and one-half per cent of the combined tax liability for the taxable year;

(B) On or before the fifteenth day of the sixth month after the beginning of the taxable year, forty-five per cent of the combined tax liability for the taxable year;

(C) On or before the fifteenth day of the ninth month after the beginning of the taxable year, sixty-seven and one-half per cent of the combined tax liability for the taxable year;

(D) On or before the fifteenth day of the twelfth month of the taxable year, ninety per cent of the combined tax liability for the taxable year.

(2) If the taxpayer determines that its declaration of estimated taxes will not accurately reflect the taxpayer's tax liability for the taxable year, the taxpayer

shall increase or decrease, as appropriate, its subsequent payments in equal installments to result in a more accurate payment of estimated taxes.

(3)(A) Each taxpayer shall report on the declaration of estimated taxes the portion of the remittance that the taxpayer estimates that it owes to each municipal corporation for the taxable year.

(B) Upon receiving a payment of estimated taxes under this section, the commissioner shall immediately forward the payment to the treasurer of state. The treasurer shall credit the payment in the same manner as in division (B) of section 718.85 of the Revised Code.

(d)(1) In the case of any underpayment of estimated taxes, there shall be added to the taxes an amount determined at the rate per annum prescribed by section 5703.47 of the Revised Code upon the amount of underpayment for the period of underpayment, unless the underpayment is due to reasonable cause as described in subsection (e) of this section. The amount of the underpayment shall be determined as follows:

(A) For the first payment of estimated taxes each year, twenty-two and one-half per cent of the combined tax liability, less the amount of taxes paid by the date prescribed for that payment;

(B) For the second payment of estimated taxes each year, forty-five per cent of the combined tax liability, less the amount of taxes paid by the date prescribed for that payment;

(C) For the third payment of estimated taxes each year, sixty-seven and one-half per cent of the combined tax liability, less the amount of taxes paid by the date prescribed for that payment;

(D) For the fourth payment of estimated taxes each year, ninety per cent of the combined tax liability, less the amount of taxes paid by the date prescribed for that payment.

(2) The period of the underpayment shall run from the day the estimated payment was required to be made to the date on which the payment is made. For purposes of this section, a payment of estimated taxes on or before any payment date shall be considered a payment of any previous underpayment only to the extent the payment of estimated taxes exceeds the amount of the payment presently due.

(3) All amounts collected under this section shall be considered as taxes collected under sections 128.22 to 128.2215 of the Codified Ordinances and shall be credited and distributed to municipal corporations in accordance with section 718.83 of the Revised Code.

(e) An underpayment of any portion of a combined tax liability shall be due to reasonable cause and the penalty imposed by this section shall not be added to the taxes for the taxable year if any of the following apply:

(1) The amount of estimated taxes that were paid equals at least ninety per cent of the combined tax liability for the current taxable year, determined by annualizing the income received during the year up to the end of the month immediately preceding the month in which the payment is due.

(2) The amount of estimated taxes that were paid equals at least one hundred per cent of the tax liability shown on the return of the taxpayer for the preceding taxable year, provided that the immediately preceding taxable year reflected a period of twelve months and the taxpayer filed a municipal income tax return for that year.

128.2209 ADDITIONAL PENALTIES.

(a) In addition to any other penalty imposed by sections 128.22 to 128.2215 of the Codified Ordinances or Chapter 5703. of the Revised Code, the following penalties shall apply:

(1) If a taxpayer required to file a tax return under sections 128.22 to 128.2215 of the Codified Ordinances fails to make and file the return within the time prescribed, including any extensions of time granted by the tax commissioner, the commissioner may impose a penalty not exceeding twenty-five dollars per month or fraction of a month, for each month or fraction of a month elapsing between the due date, including extensions of the due date, and the date on which the return is filed. The aggregate penalty, per instance, under this subsection shall not exceed one hundred fifty dollars.

(2) If a person required to file a tax return electronically under sections 128.22 to 128.2215 of the Codified Ordinances fails to do so, the commissioner may impose a penalty not to exceed the following:

(A) For each of the first two failures, five per cent of the amount required to be reported on the return;

(B) For the third and any subsequent failure, ten per cent of the amount required to be reported on the return.

(3) If a taxpayer that has made the election allowed under section 128.22 of the Codified Ordinances fails to timely pay an amount of tax required to be paid under this chapter, the commissioner may impose a penalty equal to fifteen per cent of the amount not timely paid.

(4) If a taxpayer files what purports to be a tax return required by sections 128.22 to 128.2215 of the Codified Ordinances that does not contain information upon which the substantial correctness of the return may be judged or contains information that on its face indicates that the return is substantially incorrect, and the filing of the return in that manner is due to a position that is frivolous or a desire that is apparent from the return to delay or impede the administration of sections 128.22 to 128.2215 of the Codified Ordinances, a penalty of up to five hundred dollars may be imposed.

(5) If a taxpayer makes a fraudulent attempt to evade the reporting or payment of the tax required to be shown on any return required under sections 128.22 to 128.2215 of the Codified Ordinances, a penalty may be imposed not exceeding the greater of one thousand dollars or one hundred per cent of the tax required to be shown on the return.

(6) If any person makes a false or fraudulent claim for a refund under section 128.2211 of the Codified Ordinances, a penalty may be imposed not exceeding the greater of one thousand dollars or one hundred per cent of the claim. Any

penalty imposed under this subsection, any refund issued on the claim, and interest on any refund from the date of the refund, may be assessed under section 128.2210 of the Codified Ordinances without regard to any time limitation for the assessment imposed by subsection (a) of that section.

(b) For purposes of this section, the tax required to be shown on a tax return shall be reduced by the amount of any part of the tax paid on or before the date, including any extensions of the date, prescribed for filing the return.

(c) Each penalty imposed under this section shall be in addition to any other penalty imposed under this section. All or part of any penalty imposed under this section may be abated by the tax commissioner. The commissioner may adopt rules governing the imposition and abatement of such penalties.

(d) All amounts collected under this section shall be considered as taxes collected under sections 128.22 to 128.2215 of the Codified Ordinances and shall be credited and distributed to municipal corporations in the same proportion as the underlying tax liability is required to be distributed to such municipal corporations under section 718.83 of the Revised Code.

128.2210 ASSESSMENTS AGAINST TAXPAYER.

(a) If any taxpayer required to file a return under section 128.22 to 128.2215 of the Codified Ordinances fails to file the return within the time prescribed, files an incorrect return, or fails to remit the full amount of the tax due for the period covered by the return, the tax commissioner may make an assessment against the taxpayer for any deficiency for the period for which the return or tax is due, based upon any information in the commissioner's possession.

The tax commissioner shall not make or issue an assessment against a taxpayer more than three years after the later of the date the return subject to assessment was required to be filed or the date the return was filed. Such time limit may be extended if both the taxpayer and the commissioner consent in writing to the extension. Any such extension shall extend the three-year time limit in section 128.2211 of the Codified Ordinances for the same period of time. There shall be no bar or limit to an assessment against a taxpayer that fails to file a return subject to assessment as required by sections 128.22 to 128.2215 of the Codified Ordinances, or that files a fraudulent return. The commissioner shall give the taxpayer assessed written notice of the assessment as provided in section 5703.37 of the Revised Code. With the notice, the commissioner shall provide instructions on how to petition for reassessment and request a hearing on the petition.

(b) Unless the taxpayer assessed files with the tax commissioner within sixty days after service of the notice of assessment, either personally or by certified mail, a written petition for reassessment signed by the authorized agent of the taxpayer assessed having knowledge of the facts, the assessment becomes final, and the amount of the assessment is due and payable from the taxpayer to the treasurer of state. The petition shall indicate the taxpayer's objections, but additional objections may be raised in writing if received by the commissioner prior to the date shown on the final determination. If the petition has been properly filed, the commissioner shall proceed under section 5703.60 of the Revised Code.

(c) After an assessment becomes final, if any portion of the assessment remains unpaid, including accrued interest, a certified copy of the tax commissioner's entry making the assessment final may be filed in the office of the clerk of the court of common pleas in the county in which the taxpayer has an office or place of business in this state, the county in which the taxpayer's statutory agent is located, or Franklin county.

Immediately upon the filing of the entry, the clerk shall enter a judgment against the taxpayer assessed in the amount shown on the entry. The judgment may be filed by the clerk in a loose-leaf book entitled "special judgments for municipal income taxes," and shall have the same effect as other judgments. Execution shall issue upon the judgment upon the request of the tax commissioner, and all laws applicable to sales on execution shall apply to sales made under the judgment.

If the assessment is not paid in its entirety within sixty days after the day the assessment was issued, the portion of the assessment consisting of tax due shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code from the day the commissioner issues the assessment until the assessment is paid or until it is certified to the attorney general for collection under section 131.02 of the Revised Code, whichever comes first. If the unpaid portion of the assessment is certified to the attorney general for collection, the entire unpaid portion of the assessment shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code from the date of certification until the date it is paid in its entirety. Interest shall be paid in the same manner as the tax and may be collected by issuing an assessment under this section.

(d) All money collected under this section shall be credited to the municipal income tax fund and distributed to the municipal corporation to which the money is owed based on the assessment issued under this section.

(e) If the tax commissioner believes that collection of the tax will be jeopardized unless proceedings to collect or secure collection of the tax are instituted without delay, the commissioner may issue a jeopardy assessment against the taxpayer liable for the tax. Immediately upon the issuance of the jeopardy assessment, the commissioner shall file an entry with the clerk of the court of common pleas in the manner prescribed by subsection (c) of this section. Notice of the jeopardy assessment shall be served on the taxpayer assessed or the taxpayer's legal representative in the manner provided in section 5703.37 of the Revised Code within five days of the filing of the entry with the clerk. The total amount assessed is immediately due and payable, unless the taxpayer assessed files a petition for reassessment in accordance with subsection (b) of this section and provides security in a form satisfactory to the commissioner and in an amount sufficient to satisfy the unpaid balance of the assessment. Full or partial payment of the assessment does not prejudice the commissioner's consideration of the petition for reassessment.

(f) Notwithstanding the fact that a petition for reassessment is pending, the taxpayer may pay all or a portion of the assessment that is the subject of the petition. The acceptance of a payment by the treasurer of state does not prejudice any claim for refund upon final determination of the petition.

If upon final determination of the petition an error in the assessment is corrected by the tax commissioner, upon petition so filed or pursuant to a decision of the board of tax appeals or any court to which the determination or decision has

been appealed, so that the amount due from the taxpayer under the corrected assessment is less than the portion paid, there shall be issued to the taxpayer, its assigns, or legal representative a refund in the amount of the overpayment as provided by section 128.2211 of the Codified Ordinances, with interest on that amount as provided by that section.

128.2211 REFUND APPLICATIONS.

(a) An application to refund to a taxpayer the amount of taxes paid on any illegal, erroneous, or excessive payment of tax under sections 128.22 to 128.2215 of the Codified Ordinances, including assessments, shall be filed with the tax commissioner within three years after the date of the illegal, erroneous, or excessive payment of the tax, or within any additional period allowed by subsection (a) of section 128.2210 of the Codified Ordinances. The application shall be filed in the form prescribed by the tax commissioner.

(b)(1) On the filing of a refund application, the tax commissioner shall determine the amount of refund to which the applicant is entitled. The amount determined shall be based on the amount overpaid per return or assessment. If the amount is greater than ten dollars and not less than that claimed, the commissioner shall certify that amount to the director of budget and management and the treasurer of state for payment from the tax refund fund created in section 5703.052 of the Revised Code. If the amount is greater than ten dollars but less than that claimed, the commissioner shall proceed in accordance with section 5703.70 of the Revised Code.

(2) Upon issuance of a refund under this section, the commissioner shall notify each municipal corporation of the amount refunded to the taxpayer attributable to that municipal corporation, which shall be deducted from the municipal corporation's next distribution under section 718.83 of the Revised Code.

(c) Any portion of a refund determined under subsection (b) of this section that is not issued within ninety days after such determination shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised Code from the ninety-first day after such determination until the day the refund is paid or credited. On an illegal or erroneous assessment, interest shall be paid at that rate from the date of payment on the illegal or erroneous assessment until the day the refund is paid or credited.

128.2212 AMENDED RETURNS.

(a) If any of the facts, figures, computations, or attachments required in an annual return filed by a taxpayer that has made the election allowed under section 128.22 of the Codified Ordinances and used to determine the tax due under sections 128.22 to 128.2215 of the Codified Ordinances must be altered as the result of an adjustment to the taxpayer's federal income tax return, whether initiated by the taxpayer or the internal revenue service, and such alteration affects the taxpayer's tax liability under those sections, the taxpayer shall file an amended return with the tax commissioner in such form as the commissioner requires. The amended return shall be filed not later than sixty days after the adjustment is agreed upon or finally determined for federal income tax purposes or after any federal income tax deficiency or refund, or the abatement or credit resulting therefrom, has been assessed or paid, whichever occurs first. If a taxpayer intends to file an amended consolidated municipal income tax return, or to amend its type of return from a separate return to a consolidated return,

based on the taxpayer's consolidated federal income tax return, the taxpayer shall notify the commissioner before filing the amended return.

(b) In the case of an underpayment, the amended return shall be accompanied by payment of any combined additional tax due together with any penalty and interest thereon. An amended return required by this section is a return subject to assessment under section 128.2210 of the Codified Ordinances for the purpose of assessing any additional tax due under this section, together with any applicable penalty and interest. The amended return shall not reopen those facts, figures, computations, or attachments from a previously filed return no longer subject to assessment that are not affected, either directly or indirectly, by the adjustment to the taxpayer's federal tax return.

(c) In the case of an overpayment, an application for refund may be filed under this subsection within the sixty-day period prescribed for filing the amended return, even if that period extends beyond the period prescribed in section 128.2211 of the Codified Ordinances, if the application otherwise conforms to the requirements of that section. An application filed under this subsection shall claim refund of overpayments resulting from alterations to only those facts, figures, computations, or attachments required in the taxpayer's annual return that are affected, either directly or indirectly, by the adjustment to the taxpayer's federal income tax return unless it is also filed within the time prescribed in section 128.2211 of the Codified Ordinances. The application shall not reopen those facts, figures, computations, or attachments that are not affected, either directly or indirectly, by the adjustment to the taxpayer's federal income tax return.

128.2213 EXAMINATION OF RECORDS AND OTHER DOCUMENTS AND PERSONS.

(a) The tax commissioner, or any authorized agent or employee thereof, may examine the books, papers, records, and federal and state income tax returns of any taxpayer or other person that is subject to sections 128.22 to 128.2215 of the Codified Ordinances for the purpose of verifying the accuracy of any return made or, if no return was filed, to ascertain the tax due as required under those sections. Upon written request by the commissioner or a duly authorized agent or employee thereof, every taxpayer or other person subject to this section is required to furnish the opportunity for the commissioner, authorized agent, or employee to investigate and examine such books, papers, records, and federal and state income tax returns at a reasonable time and place designated in the request.

(b) The records and other documents of any taxpayer or other person that is subject to sections 128.22 to 128.2215 of the Codified Ordinances shall be open to the tax commissioner's inspection during business hours and shall be preserved for a period of six years following the end of the taxable year to which the records or documents relate, unless the commissioner, in writing, consents to their destruction within that period, or by order requires that they be kept longer. The commissioner may require any person, by notice served on that person, to keep such records as the commissioner determines necessary to show whether or not that person is liable, and the extent of such liability, for the income tax levied by a municipal corporation.

(c) The tax commissioner may examine under oath any person that the commissioner reasonably believes has knowledge concerning any income that

was or would have been returned for taxation or any transaction tending to affect such income. The commissioner may, for this purpose, compel any such person to attend a hearing or examination and to produce any books, papers, records, and federal income tax returns in such person's possession or control. The person may be assisted or represented by an attorney, accountant, bookkeeper, or other tax practitioner at any such hearing or examination. This subsection does not authorize the practice of law by a person who is not an attorney.

(d) No person issued written notice by the tax commissioner compelling attendance at a hearing or examination or the production of books, papers, records, or federal income tax returns under this section shall fail to comply.

128.2214 CREDITS.

(a) A credit, granted by resolution or ordinance of the City pursuant to section 718.15 or 718.151 of the revised code Codified Ordinances, shall be available to a taxpayer that has made the election allowed under section 128.22 of the Codified Ordinances, against the municipal corporation's tax on income. A municipal corporation shall submit the following information to the tax commissioner on or before the later of January 31, 2018, or the thirty-first day of January of the first year in which the taxpayer is eligible to receive the credit:

(1) A copy of the agreement entered into by the City and taxpayer under section 718.15 or 718.151 of the revised code Codified Ordinances;

(2) A copy of the ordinance or resolution authorizing the agreement entered into between the City and the taxpayer.

(b)(1) Each taxpayer that claims a credit shall submit, with the taxpayer's tax return, documentation issued by the City granting the credit that confirms the eligibility of the taxpayer for the credit, the amount of the credit for which the taxpayer is eligible, and the tax year to which the credit is to be applied.

(2) Such documentation shall be provided in the form prescribed by the tax commissioner.

(3) Nothing in this section shall be construed to authorize the tax commissioner to enter into an agreement with a taxpayer to grant a credit, to determine if a taxpayer meets the conditions of a tax credit agreement entered into by the City and taxpayer under section 718.15 or 718.151 of the Codified Ordinances,, or to modify the terms or conditions of any such existing agreement.

128.2215. RECKLESS VIOLATIONS; PENALTIES.

(a) Except as provided in subsection (b) of this section, whoever recklessly violates subsection (a) of section 128.2204 of the Codified Ordinances shall be guilty of a misdemeanor of the first degree and shall be subject to a fine of not more than one thousand dollars or imprisonment for a term of up to six months, or both.

(b) Each instance of access or disclosure in violation of subsection (a) of section 128.2204 of the Codified Ordinances constitutes a separate offense.

(c) These specific penalties shall not be construed to prevent the City from prosecuting any and all other offenses that may apply.

Section 2. It is found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were adopted in an open meeting of this Council and that all such deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 3. This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in its preamble, and provided it receives the affirmative vote of at least two thirds of the members of Council this ordinance shall take effect and be in force immediately, or otherwise it shall take effect and be in force after the earliest period allowed by law.

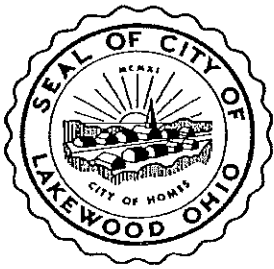
Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR



**LAW DEPARTMENT
OFFICE OF PROSECUTION**

12650 Detroit Avenue, Lakewood, Ohio 44107
(216) 529-6030 | Fax (216) 228-2514
www.onelakewood.com
law@lakewoodoh.net

Direct dial: (216) 529-6034
kevin.butler@lakewoodoh.net

KEVIN M. BUTLER
DIRECTOR OF LAW

PAMELA L. ROESSNER
CHIEF PROSECUTOR

JENNIFER L. SWALLOW
CHIEF ASSISTANT
LAW DIRECTOR

ANDREW N. FLECK
ASSISTANT PROSECUTOR/
ASSISTANT LAW DIRECTOR

February 5, 2018

Lakewood City Council
12650 Detroit Avenue
Lakewood, Ohio 44107

**Re: Ordinance adding formerly chartered street establishment, naming
and vacation provisions to the Code following passage of Third
Amended Charter**

Dear Members of Council:

The citizens' adoption of the Third Amended Charter of the city on November 7, 2017, obligates Council and the Mayor's administration to consider code additions and changes that would ensure continuity in the manner in which the government conducts its affairs. Following this letter is the next in a series of ordinances that, if adopted, would carry forward into the code certain provisions found within the Second Amended Charter but not made explicit within the Third Amended Charter. These modifications touch on the establishment, name change and vacation of streets in the city and the codification of the board of revision of assessments.

As with the previously introduced similar ordinances, please refer this ordinance to the Rules and Ordinances Committee for further consideration.

Very truly yours,

Kevin M. Butler

ORDINANCE NO.

BY:

AN ORDINANCE to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect at the earliest period allowed by law, enacting Sections 131.01, Provision, Alteration, Dedication and Vacation of Streets, and 131.02, Board of Revision of Assessments, and amending Section 107.11, Notice of Public Hearing, of the Codified Ordinances of the City of Lakewood in order to codify certain provisions related to the establishment, naming and vacation of streets.

WHEREAS, on November 7, 2017, the citizens of Lakewood adopted the proposed Third Amended Charter of the City of Lakewood; and

WHEREAS, the Third Amended Charter does not carry forward explicitly the provisions of the Second Amended Charter governing the establishment, naming and vacation of streets; and

WHEREAS, this Council has determined that ethics provisions shall be established in the Code as a matter of local self-government; and

WHEREAS, pursuant to the Constitution of the State of Ohio and the Ohio Revised Code, municipalities have the power of local self-government; and

WHEREAS, pursuant to the Constitution of the State of Ohio and the Ohio Revised Code, municipalities have the power to enact laws that are for the health, safety, welfare, comfort and peace of the citizens of the municipality; and

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this ordinance is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments, in that the new charter became effective immediately upon the official certification of the November 7, 2017 election in the city; now, therefore

BE IT ORDAINED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. New Section 131.01, Provision, Alteration, Dedication and Vacation of Streets, shall be enacted to read as follows:

**131.01 PROVISION, ALTERATION, DEDICATION AND VACATION
OF STREETS.**

- (a) Council shall provide for the care, supervision, control and improvement of public highways, streets, avenues, alleys, sidewalks, public grounds, bridges, aqueducts and viaducts within the City. The Director of Public Works shall have supervision of these matters in accordance with Section 123.03.
- (b) When it deems it necessary, Council may cause any street, alley or public highway to be opened, straightened, altered, diverted, narrowed or widened. No street or alley dedicated to public use by the proprietor of ground in the City shall be deemed a public street or alley, or under the care or control of Council unless the dedication is accepted and confirmed by an ordinance passed for such purpose.
- (c) Council, when vacating any street or part of street or changing the name of any street, may include in one ordinance the change of name or the vacation or narrowing of more than one street, avenue, or alley, but before vacating any street or part thereof, or narrowing any street, Council shall first adopt a resolution declaring its intention so to do. The Clerk of Council shall cause notice of such declaration to be served in the manner that the service of summons is required to be made upon all persons whose property abuts upon the part of the street affected by the proposed vacation or narrowing, and by publication on the official website of the City. That notice shall state the time and place when objections can be heard before the Board of Revision of Assessments. Upon the report of the Board of Revision of Assessments approving the proposed vacation or narrowing Council may by ordinance declare such vacation or narrowing, and such order of Council vacating or narrowing a street or alley which has been dedicated to public use by the proprietor shall, to the extent to which it is vacated or narrowed, operate as a revocation of the acceptance thereof by Council, but the right of way and easement therein of any lot owner shall not be impaired thereby.

Section 2. New Section 131.02, Board of Revision of Assessments, shall be enacted to read as follows:

131.02 BOARD OF REVISION OF ASSESSMENTS.

The Board of Revision of Assessments shall consist of the Mayor, Director of Law, the Director of Finance, the Director of Public Works and the President of Council. The Mayor shall be the president of the board and the Director of Finance shall be the secretary thereof. The board shall meet at such times and place as is provided by its rules, and shall hear all matters coming before it under the authority of the Charter and Code.

Section 3. Section 107.11, Notice of Public Hearing, currently reading as follows:

107.11 NOTICE OF PUBLIC HEARING.

- (a) Planning Commission.
 - (1) Notice of public hearings before the Planning Commission regarding zoning shall be given in the manner provided by the Zoning Code.
 - (2) Notice of public hearings before the Planning Commission regarding the adoption of a general plan or portions thereof or amendments thereto, as

provided in Article XII, Section 3 of the Second Amended City Charter shall be by publication once in a newspaper of general circulation within the City at least seven (7) days prior to such hearing.

- (b) Board of Zoning Appeals. Notice of public hearings before the Board of Zoning Appeals regarding exceptions to height district restrictions or use district restrictions shall be given in the manner provided by the Zoning Code.
- (c) Board of Revision of Assessments.
 - (1) Notice of a public hearing before the Board of Revision of Assessments relating to special assessments shall be given as provided in Section 107.04(a).
 - (2) Notice of a public hearing before the Board of Revision of Assessments, pursuant to Article XVI, Section 28 of the Second Amended City Charter, relating to the vacating or narrowing of any street or part thereof, shall be served in the manner that the service of summons is required to be made, upon all persons whose property abuts upon the part of the street affected by the proposed vacation or narrowing, and by publication once in one newspaper of general circulation within the City as to all persons who cannot be personally served. Such notice shall state the time and place when objections can be heard before the Board of Revision of Assessments.
- (d) Council. Notice of public hearings before Council shall be by publication at least once in a newspaper of general circulation within the City or by posting a notice thereof at least three days prior to such hearing.
- (e) Board of Building Standards and Building Appeals.
 - (1) Notice of public hearings before the Board of Building Standards and Building Appeals shall be by publication once in a newspaper of general circulation within the City at least seven (7) days prior to such hearing.
 - (2) In addition to the notice provided in subsection (e)(1) hereof, notice of all matters excluding internal Building Code violations and signage review to come before the Board which request a variance to the Building Code shall be given to all owners and tenant occupants of all property any part of which abuts upon any part of the parcel of land described in the docket item.
 - (3) The notice referred to in subsection (e)(1) hereof shall be given by first class mail with postage prepaid, which notice shall be mailed by the Secretary of the Board at least seven (7) days before the date of such meeting.
 - (4) In the case of an apartment building or a multiple use building, in lieu of notice by mail to each tenant in the building, notice may be posted in a general public use area of the building.

shall be and hereby is repealed, and new Section 107.11, Notice of Public Hearing, is hereby enacted to read as follows:

107.11 NOTICE OF PUBLIC HEARING.

- (a) Planning Commission.
 - (1) Notice of public hearings before the Planning Commission regarding zoning shall be given in the manner provided by the Zoning Code.
 - (2) Notice of public hearings before the Planning Commission regarding the adoption of a general plan or portions thereof or amendments thereto, as provided in ~~Article XII, Section 3 of the Second Amended City Charter~~ shall be by publication once in a newspaper of general circulation within the City at least seven (7) days prior to such hearing.
- (b) Board of Zoning Appeals. Notice of public hearings before the Board of Zoning Appeals regarding exceptions to height district restrictions or use district restrictions shall be given in the manner provided by the Zoning Code.
- (c) Board of Revision of Assessments.
 - (1) Notice of a public hearing before the Board of Revision of Assessments relating to special assessments shall be given as provided in Section 107.04(a).
 - (2) Notice of a public hearing before the Board of Revision of Assessments, pursuant to ~~Article XVI, Section 28 of the Second Amended City Charter~~ and Section 131.01, relating to the vacating or narrowing of any street or part thereof, shall be served in the manner that the service of summons is required to be made, upon all persons whose property abuts upon the part of the street affected by the proposed vacation or narrowing, and by publication once in one newspaper of general circulation within the City as to all persons who cannot be personally served. Such notice shall state the time and place when objections can be heard before the Board of Revision of Assessments.
- (d) Council. Notice of public hearings before Council shall be by publication at least once in a newspaper of general circulation within the City or by posting a notice thereof at least three days prior to such hearing.
- (e) Board of Building Standards and Building Appeals.
 - (1) Notice of public hearings before the Board of Building Standards and Building Appeals shall be by publication once in a newspaper of general circulation within the City at least seven (7) days prior to such hearing.
 - (2) In addition to the notice provided in subsection (e)(1) hereof, notice of all matters excluding internal Building Code violations and signage review to come before the Board which request a variance to the Building Code shall be given to all owners and tenant occupants of all property any part of which abuts upon any part of the parcel of land described in the docket item.
 - (3) The notice referred to in subsection (e)(1) hereof shall be given by first class mail with postage prepaid, which notice shall be mailed by the Secretary of the Board at least seven (7) days before the date of such meeting.

- (4) In the case of an apartment building or a multiple use building, in lieu of notice by mail to each tenant in the building, notice may be posted in a general public use area of the building.

Section 4. It is found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were adopted in an open meeting of this Council and that all such deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 5. This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in its preamble, and provided it receives the affirmative vote of at least two thirds of the members of Council this ordinance shall take effect and be in force immediately, or otherwise it shall take effect and be in force after the earliest period allowed by law.

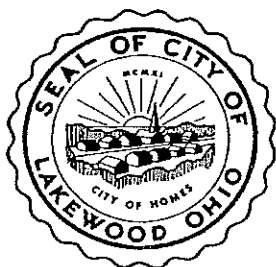
Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR



**LAW DEPARTMENT
OFFICE OF PROSECUTION**

12650 Detroit Avenue, Lakewood, Ohio 44107
(216) 529-6030 | Fax (216) 228-2514
www.onelakewood.com
law@lakewoodoh.net

Direct dial: (216) 529-6034
kevin.butler@lakewoodoh.net

KEVIN M. BUTLER
DIRECTOR OF LAW

PAMELA L. ROESSNER
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ANDREW N. FLECK
ASSISTANT PROSECUTOR/
ASSISTANT LAW DIRECTOR

February 5, 2018

Lakewood City Council
12650 Detroit Avenue
Lakewood, Ohio 44107

**Re: Ordinance revising planning commission voting requirements in the
Code following passage of Third Amended Charter**

Dear Members of Council:

The citizens' adoption of the Third Amended Charter of the city on November 7, 2017, obligates Council and the Mayor's administration to consider code additions and changes that would ensure continuity in the manner in which the government conducts its affairs. Following this letter is the next in a series of ordinances that, if adopted, would carry forward into the code certain provisions found within the Second Amended Charter but not made explicit within the Third Amended Charter. These modifications touch on the voting requirements of the Planning Commission when considering historic property designations.

As with the previously introduced similar ordinances, please refer this ordinance to the Rules and Ordinances Committee for further consideration. Please also refer this to Planning Commission pursuant to the mandatory referral provisions in the charter.

Very truly yours,

Kevin M. Butler

ORDINANCE NO.

BY:

AN ORDINANCE amending Section 1134.03, Procedures for Identification, Nomination and Designation of an HPD or HP, of the Codified Ordinances of the City of Lakewood in order to adjust the voting requirements of the Planning Commission based upon its new composition under the Third Amended Charter.

WHEREAS, on November 7, 2017, the citizens of Lakewood adopted the proposed Third Amended Charter of the City of Lakewood; and

WHEREAS, the Third Amended Charter provides for the composition of the Planning Commission to be fixed at five members along with the city engineer serving *ex officio* in a non-voting capacity, which is a reduction of two voting members from the commission's composition under the Second Amended Charter; and

WHEREAS, this Council has determined that the ordinances must be updated to account for this reduction, specifically with respect to the commission's voting requirements; and

WHEREAS, pursuant to the Constitution of the State of Ohio and the Ohio Revised Code, municipalities have the power of local self-government; and

WHEREAS, pursuant to the Constitution of the State of Ohio and the Ohio Revised Code, municipalities have the power to enact laws that are for the health, safety, welfare, comfort and peace of the citizens of the municipality; now, therefore

BE IT ORDAINED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Subsection (k) of Section 1134.03, Procedures for Identification, Nomination and Designation of an HPD or HP, of the Codified Ordinances of the City of Lakewood, currently reading as follows:

1134.03 PROCEDURES FOR IDENTIFICATION, NOMINATION AND DESIGNATION OF AN HPD OR HP.

...

- (k) The Commission shall determine whether said area, place, site, building(s), public interior portions of a building, structure(s), works of art and other objects shall be designated as an HPD or HP. In the event the owner of a property nominated as an HP, or each owner within a district nominated as an HPD, does not consent to designation, the Commission may only designate an HP or HPD by a vote of at least five of its members, or otherwise the

Commission may designate an HP or HPD by a majority vote of a quorum of its members. Regardless of any current National Register of Historic Places status, an HPD or HP must be locally determined by the Commission for this chapter to apply.

...

shall be and hereby is repealed, and new subsection (k) of Section 1134.03, Procedures for Identification, Nomination and Designation of an HPD or HP, of the Codified Ordinances of the City of Lakewood, is hereby enacted to read as follows:

1134.03 PROCEDURES FOR IDENTIFICATION, NOMINATION AND DESIGNATION OF AN HPD OR HP.

...

- (k) The Commission shall determine whether said area, place, site, building(s), public interior portions of a building, structure(s), works of art and other objects shall be designated as an HPD or HP. In the event the owner of a property nominated as an HP, or each owner within a district nominated as an HPD, does not consent to designation, the Commission may only designate an HP or HPD by a vote of at least ~~five~~four of its members, or otherwise the Commission may designate an HP or HPD by a majority vote of a quorum of its members. Regardless of any current National Register of Historic Places status, an HPD or HP must be locally determined by the Commission for this chapter to apply.

...

Section 2. It is found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were adopted in an open meeting of this Council and that all such deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Adopted: _____

PRESIDENT

CLERK

Approved: _____

MAYOR



12650 DETROIT AVENUE • 44107 • 216/529-6092 • FAX 216/529-6806

Jennifer R. Pae
Director of Finance

February 5, 2018

Lakewood City Council

Re: 2018 Bond Anticipation Notes in an amount not to exceed \$32.287 million and
2018 Municipal Capital Lease in an amount not to exceed \$1.5 million

Dear Members of Council,

Attached please find the Ordinances relating to the issuance of various purpose bond anticipation notes in the amount not to exceed \$32.287 million used to finance capital improvement projects.

The City will be paying the 2016 and 2017 issued one year Bond Anticipation Notes (BANs) for another one-year BAN in an amount not to exceed \$21.687 million for projects that commenced in those years.

The \$10.6 million in new notes corresponds to the City's 2018 capital improvement program paid via BANs and were discussed during the Budget Hearings:

- | | |
|--|--|
| 1. \$160,000 for City Parking Lot Resurfacing | 6. \$1,325,000 for Lake Avenue Improvements
(Belle Ave. to W.117 th St.) |
| 2. \$375,000 for the Police Firing Range | 7. \$2,315,500 in Water Line Replacements |
| 3. \$375,000 for Parks Improvements | 8. \$2,375,000 in Sewer Improvements |
| 4. \$475,000 for Municipal Building Roof
Improvements | 9. \$2,500,000 for WWTP Digester
Improvements |
| 5. \$700,000 for Sidewalk Improvements | |

Also attached is an ordinance to enter into an agreement with a yet to be named financial institution for municipal capital leases in an amount not to exceed approximately \$1.5 million for the following capital equipment:

- | | |
|---|--|
| • Early Warning Siren Replacement | • Police Vehicles (four to five) |
| • Streets Vehicle-5-Ton Truck with Stainless
Steel Dump, Plow and Spreader | • Two Refuse & Recycling Packer Trucks |
| | • Street Sweeper |

I respectfully request that this legislation be placed on first reading and referred to the Finance Committee for further review and discussion.

Sincerely,

Jennifer R. Pae
Director of Finance

ORDINANCE NO. _____

By: _____

AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION INCOME TAX REVENUE NOTES IN THE AMOUNT OF NOT TO EXCEED \$21,687,000 IN ANTICIPATION OF THE ISSUANCE OF BONDS TO PAY COSTS OF (I) DESIGNING, PERMITTING, ENGINEERING AND CONSTRUCTING SEWER IMPROVEMENTS, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO, (II) DESIGNING, ENGINEERING, PERMITTING AND CONSTRUCTING IMPROVEMENTS TO THE CITY'S EXISTING DIGESTER MIXERS, HEAT EXCHANGERS AND TANKS, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO, (III) DESIGNING, ENGINEERING AND CONSTRUCTING WATER IMPROVEMENTS, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO, (IV) DESIGNING, ENGINEERING, AND CONSTRUCTING IMPROVEMENTS AND INSTALLING A RETAINING WALL ON THE NORTHERLY PROPERTY LINE OF THE WINTON CLIFF TO STABILIZE THE EXPOSED SHALE BLUFF, (V) ANDREWS AVENUE, ATHENS AVENUE, CHESTERLAND AVENUE, CONCORD DRIVE, DELAWARE AVENUE, ERIE CLIFF DRIVE, HALL AVENUE, LAKE POINT DRIVE, LAKE AVENUE, LEEDALE AVENUE, LEONARD AVENUE, MAPLE CLIFF DRIVE, MARS AVENUE, MCKINLEY AVENUE, NORTHWOOD AVENUE, RICHLAND AVENUE, SHAW AVENUE AND WEST 117TH STREET, AND OTHER STREETS LOCATED WITHIN THE CITY, BETWEEN CERTAIN TERMINI, BY RESURFACING AND REPLACING CONCRETE, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO, (VI) REPLACING OR IMPROVING THE ROOF OF THE PUBLIC WORKS GARAGE, THE FIRE STATION, WINTERHURST ICE RINK AND OTHER PUBLIC BUILDINGS, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO, (VII) IMPROVING PARKS WITHIN THE CITY, INCLUDING KIDS COVE PLAYGROUND AND KAUFMANN PARK, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO, (VIII) IMPROVING SIDEWALKS IN THE CITY AND (IX) DESIGNING, ENGINEERING AND CONSTRUCTING DRAINAGE IMPROVEMENTS, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO, (X) TO PAY COSTS OF PROVIDING, CONSTRUCTING AND INSTALLING A REVETMENT ON THE NORTHERLY PROPERTY LINE OF THE MERIDIAN CONDOMINIUM TO PROTECT THE MERIDIAN CONDOMINIUM'S WESTERLY PROPERTY LINE WITH LAKE ERIE, EASTWARD TO THE INTERSECTION OF MERIDIAN CONDOMINIUM'S EASTERLY PROPERTY LINE WITH LAKE ERIE AND (XI) TO PAY COSTS OF IMPROVING FRANKLIN AVENUE AND HILLIARD ROAD, BETWEEN CERTAIN TERMINI, BY PROVIDING NEW TRAFFIC SIGNALIZATION, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO, AND RETIRING NOTES PREVIOUSLY ISSUED FOR SUCH PURPOSE; APPROVING RELATED MATTERS; PROVIDING FOR THE PLEDGE OF REVENUES FROM THE CITY'S 1.50% INCOME TAX TO SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTES IN ANTICIPATION OF BONDS; AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY

WHEREAS, the City of Lakewood (the "City") levies an income tax at a rate of 1.50% pursuant to Section 128 of the Codified Ordinances of the City (the "Income Tax") to provide funds for general municipal functions of the City;

WHEREAS, pursuant to Article XVIII, Section 3 of the Ohio Constitution, the City is authorized to issue special obligation revenue bonds and bond anticipation notes supported by the Income Tax and in anticipation of the receipt of revenues of the Income Tax (the "Revenues") to provide funds for municipal purposes;

WHEREAS, the City Council (the "Council") of the City of Lakewood, Ohio (the "City") has issued notes dated April 3, 2017, in the aggregate principal amount of \$22,244,000, which will mature on April 2, 2018 (the "Outstanding Notes"), in anticipation of the issuance of bonds described herein;

WHEREAS, it appears advisable in lieu of issuing bonds at this time to issue new notes in anticipation of the issuance of bonds, and to retire all, or a portion of, the Outstanding Notes;

WHEREAS, this Council desires to issue special obligation income tax revenue bond anticipation notes in an aggregate principal amount not to exceed \$21,687,000 (the "Notes") to retire all, or a portion of, the Outstanding Notes;

WHEREAS, the Notes shall be payable solely from and secured by the Revenues of the City;

WHEREAS, this Council by a vote of at least two thirds of its members determines that this Ordinance is an emergency measure, and that this Ordinance shall take effect at the earliest date possible as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood (the "Charter"), and that it is necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments and further to allow the City to issue the notes with other notes to be issued by the City into a consolidated issue and to obtain savings in the issuance of the notes. Now Therefore

BE IT ORDAINED by the City of Lakewood, Ohio, that:

Section 1. Issuance of Bonds. It is hereby declared necessary to issue bonds of the City, in anticipation of the levy of the Income Tax and receipt of the Revenues, in the principal sum of not to exceed \$21,687,000 (the "Bonds"), for the purpose of paying the cost of the Project.

Section 2. Terms of the Bonds. The Bonds shall be dated prior to the maturity date of the Notes, shall bear interest at the maximum average annual interest rate presently estimated to be 4.50% per annum, payable semiannually until the principal sum is paid, and shall mature in 26 annual installments.

Section 3. Issuance of Bond Anticipation Notes. It is necessary to issue, and this Council hereby determines that there shall be issued, notes in anticipation of the issuance of the Bonds.

Section 4. Combining Notes for Purposes of Issuance and Sale. It is hereby determined, that for the purposes of issuance and sale, it may be in the best interest of the City to combine the Notes with other income tax revenue notes of the City authorized by separate ordinances of this Council. The Notes and such other notes shall be jointly referred to herein as the "Combined Notes." As used in this Ordinance, the term "Notes" shall also mean the Combined Notes, where appropriate. The Combined Notes shall be designated "City of Lakewood, Ohio Various Purpose Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance of the City (the "Director of Finance").

Section 5. Terms of the Notes; Certificate of Fiscal Officer Relating to Terms of Notes. The Notes shall be special obligation in the amount of not to exceed \$21,687,000, which sum does not exceed the amount of the Bonds. The Notes shall be dated the date established by the Director of Finance and certified to this Council and shall mature on such date as shall be determined by the Director of Finance and certified to this Council, provided that such date shall not be later than one year after the date of issuance of the Notes. The Notes shall be issued as fully registered notes in book-entry form only, in denominations of \$100,000 or any integral multiple of \$1,000 in excess thereof and shall be numbered as determined by the Director of Finance. Coupons shall not be attached to the Notes. The Notes shall be sold in a transaction exempt from the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission.

The Director of Finance is authorized and directed to execute a Certificate of Fiscal Officer Relating to Terms of Notes (the "Certificate of Fiscal Officer") setting forth the final terms of the Notes, consistent with the requirements of this Ordinance, and to present the same to this Council after closing.

Section 6. Income Tax Pledge; Security for the Notes. The Notes shall be special obligation income tax revenue notes issued pursuant to Article XVIII, Section 3 of the Ohio Constitution, the Charter of the City and this Ordinance for the purpose of the Project. The Notes may be issued in one or more series. The City hereby covenants and pledges, subject and pursuant to the Constitution and laws of the State of Ohio, to appropriate from the Revenues (a) amounts sufficient to pay principal and interest due on the Notes. The City hereby covenants and agrees that, so long as the Notes are outstanding, the City shall not attempt to create or otherwise permit a pledge or any other lien on the Revenues that is senior to or on a parity with the pledge of the Revenues contained in this Ordinance to pay the principal of and interest on the Notes; provided, however, that this provision shall not be read to limit the City's ability to issue general obligation debt for any municipal purpose. The City hereby covenants and agrees that, so long as the Notes are outstanding, it shall not suffer the repeal, amendment or any other change in this Ordinance or in the City's income tax ordinances that in any way materially and adversely affects or impairs (i) the sufficiency of the Revenues levied and collected or otherwise available for the payment of the Notes or (ii) the pledge or the application of the Revenues to the payment of the Notes.

The Notes shall be special obligations of the City, and the principal of and interest and any premium on the Notes shall be payable solely from the Revenues, and such payment shall be secured by a pledge of the Revenues as provided in this Ordinance.

The Notes shall be special obligation income tax revenue notes payable solely from the Revenues and shall be secured equally and ratably (i) by a pledge of the Revenues; provided, however, that any lien on or pledge of any fund, account, revenues or money shall be valid and enforceable only to the extent permitted by law. Nothing in this Ordinance or the Notes shall constitute a general obligation, debt or bonded indebtedness of the City; neither the general resources of the City shall be required to be used, nor the general credit of the City pledged for the performance of any duty under this Ordinance, or the Notes; and further, nothing herein or therein gives the Holders of the Notes, and they do not have, the right to have excises or taxes levied by the City, or by the State or the taxing authority of any other political subdivision, for the payment of principal of, redemption premium, if any, and interest on the Notes, but the Notes are payable solely from the Revenues, and each Note shall contain on the face thereof a statement to that effect; provided, however, that nothing in this Ordinance shall be deemed to prohibit the City, of its own volition, from using to the extent it is lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of this Ordinance and the Notes.

The City hereby covenants and agrees to observe and perform all its agreements and obligations provided for by the Notes and this Ordinance. All of the obligations under this Ordinance are hereby

established as duties specifically enjoined by law and resulting from an office, trust or station upon the City within the meaning of Section 2731.01 of the Ohio Revised Code.

Section 7. Sale of the Notes. The Notes shall bear interest, based on a 360-day year of twelve 30-day months, payable at maturity, at such rate per annum as shall be determined by the Director of Finance and certified to this Council, provided that such rate shall not exceed 5.00% per annum. The Notes shall be, and hereby are, awarded and sold at private sale to KeyBanc Capital Markets Inc., Cleveland, Ohio (the "Original Purchaser"), at the purchase price set forth in the Certificate of Fiscal Officer.

The Director of Finance is hereby authorized and directed to deliver the Notes, when executed, to the Original Purchaser upon payment of the purchase price and accrued interest, if any, to the date of delivery. The proceeds of such sale, except any accrued interest or premium thereon, shall be deposited in the Treasury of the City and used for the purpose aforesaid and for no other purpose.

Any accrued interest received from the sale of the Notes shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on the Notes, or other obligations of the City as permitted by law.

Section 8. Form and Execution of Notes; Payment of Notes. The Notes shall be executed by the Director of Finance and the Mayor, provided that any and all of such signatures may be a facsimile, shall be designated "City of Lakewood, Ohio Various Purpose Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance, and shall be payable as to both principal and interest at the office of Note Registrar (as defined hereinbelow). The Notes shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance.

The principal of and interest on the Notes shall be payable in lawful money of the United States of America without deduction for the services of the Note Registrar. The principal of and interest on the Notes shall be payable upon presentation and surrender of the Notes at their maturity at the office of the Note Registrar. No Note shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Note, is signed by the Note Registrar as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the Note so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Note Registrar or by such other person acting as an agent of the Note Registrar as shall be approved by the Director of Finance on behalf of the City. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Notes.

Section 9. Appointment of Note Registrar. The Director of Finance is authorized and directed to execute on behalf of the City a Note Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Director of Finance and the Original Purchaser, pursuant to which such bank or financial institution shall agree to serve as authenticating agent, note registrar, transfer agent, and paying agent (the "Note Registrar") for the Notes. Interest shall be payable at maturity by check or draft mailed to the Registered Owner hereof, as shown on the registration books of the City maintained by the Note Registrar. If at any time the Note Registrar shall be unable or unwilling to serve as such, or the Director of Finance in such officer's discretion shall determine that it would be in the best interest of the City for such functions to be performed by another party, the Director of Finance may, and is hereby authorized and directed to, enter into an agreement with a national banking association or other appropriate financial institution experienced in providing such services, to perform the services required of the Note Registrar hereunder. Each such successor Note Registrar shall promptly advise all noteholders of the change in identity and new address of the Note Registrar. So long as any of the Notes remain outstanding, the City shall cause to be maintained and kept by the Note Registrar, at the office of

the Note Registrar, all books and records necessary for the registration, exchange and transfer of Notes as provided in this section (the "Note Register"). Subject to the provisions of this Ordinance, the person in whose name any Note shall be registered on the Note Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Note shall be made only to or upon the order of that person. Neither the City nor the Note Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Notes, including the interest thereon, to the extent of the amount or amounts so paid.

Any Notes, upon presentation and surrender at the office of the Note Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar, may be exchanged for Notes of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

A Note may be transferred only on the Note Register upon presentation and surrender thereof at the office of the Note Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar. Upon that transfer, the Note Registrar shall complete, authenticate and deliver a new Note or Notes of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Note Registrar shall not be required to transfer or exchange (i) any Note during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Notes, and ending at the close of business on the day of such mailing, or (ii) any Notes selected for redemption, in whole or in part, following the date of such mailing.

In all cases in which Notes are exchanged or transferred hereunder, the City shall cause to be executed, and the Note Registrar shall authenticate and deliver, the Notes in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the Council and Note Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Council or the Note Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Notes. All Notes issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Notes surrendered upon that transfer or exchange.

Section 10. Book-entry System. For purposes of this Ordinance, the following terms shall have the following meanings:

"Book-entry form" or "book-entry system" means a form or system under which (i) the beneficial right to payment of principal of and interest on the Notes may be transferred only through a book-entry system and (ii) physical Notes in fully registered form are issued only to a Depository or its nominee as registered owner, with the Notes "immobilized" to the custody of the Depository, and the book-entry is the record that identifies the owners of beneficial interests in those Notes.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book-entry system to record beneficial ownership of notes and to effect transfers of notes, in book-entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

The Notes may initially be issued to a Depository for use in a book-entry system, and the provisions of this Section shall apply, notwithstanding any other provision of this Ordinance: (i) there shall be a single Note of each maturity, (ii) those Notes shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book-entry form shall have no right to receive Notes in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Notes in book-entry form shall be shown by book-entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book-entry; and (v) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City. Note service charges on Notes in book-entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative upon presentation and surrender of Notes as provided in this Ordinance.

The Note Registrar may, with the approval of the City, enter into an agreement with the beneficial owner or registered owner of any Note in the custody of a Depository providing for making all payments to that owner of principal and interest on that Note or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided in this Ordinance, without prior presentation or surrender of the Note, upon any conditions which shall be satisfactory to the Note Registrar and to the City. That payment in any event shall be made to the person who is the registered owner of that Note on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Note Registrar will furnish a copy of each of those agreements, certified to be correct by the Note Registrar, to other paying agents for Notes and to the City. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

If requested, the Mayor, Director of Finance, Clerk of Council, or any other officer of this Council, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, the letter agreement among the City, the paying agent for the Notes and The Depository Trust Company, as Depository, to be delivered in connection with the issuance of the Notes to the Depository for use in a book-entry system in substantially the form submitted to this Council.

The City may decide to discontinue use of the book-entry system through the Depository. In that event, Note certificates will be printed and delivered to the Depository.

If any Depository determines not to continue to act as a depository for the Notes for use in a book-entry system, the City and the Note Registrar may attempt to establish a securities depository/book-entry relationship with another qualified Depository under this Ordinance. If the City and the Note Registrar do not or are unable to do so, the City and the Note Registrar, after the Note Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the Notes from the Depository and authenticate and deliver bond certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing and delivering definitive Notes), if the event is not the result of action or inaction by the City or the Note Registrar, of those persons requesting such issuance.

Section 11. The Director of Finance is hereby directed to create the following funds and accounts into which the proceeds of the Notes and all Revenues shall be deposited, which shall be established and maintained, except as otherwise provided, so long as any Note hereby authorized remains unpaid.

- (a) the Escrow Fund designated the "City of Lakewood, Ohio Various Purpose Series 2018 Escrow Fund" (the "Escrow Fund");
- (b) the Bond Fund, designated the "City of Lakewood, Ohio Various Purpose Series 2018 Bond Fund" (the "Bond Fund"); and
- (c) the Issuance Expense Fund designated the "City of Lakewood, Ohio Various Purpose Series 2018 Issuance Expense Fund" ("Issuance Expense Fund").

Proceeds from the sale of the Notes shall be deposited into the Escrow Fund, the Bond Fund and Issuance Expense Fund as described in the Certificate of Fiscal Officer.

Section 12. Federal Tax Law Compliance. The City hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Notes is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Notes so that the Notes will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The City further covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Director of Finance, or any other officer of the City, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the City with respect to the Notes as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Director of Finance, which action shall be in writing and signed by the Director of Finance, or any other officer of the City, including the Mayor, on behalf of the City; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes; and (c) to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the City pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the City regarding compliance by the City with sections 141 through 150 of the Code and the Regulations.

The Director of Finance shall keep and maintain adequate records pertaining to investment of all proceeds of the Notes sufficient to permit, to the maximum extent possible and presently foreseeable, the City to comply with any federal law or regulation now or hereafter having applicability to the Notes which limits the amount of Note proceeds which may be invested on an unrestricted yield or requires the City to rebate arbitrage profits to the United States Department of the Treasury. The Director of Finance is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Notes requires any such reports or rebates.

Section 13. Appointment of Bond Counsel. The Director of Finance, on behalf of this Council, is hereby authorized to appoint the law firm of Bricker & Eckler LLP to serve as bond counsel for the Notes. The fees to be paid to such firm shall be subject to review and approval of the Director of

Finance, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from proceeds of the Notes.

Section 14. Transcript of Proceedings; Execution of Additional Documents. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Notes and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the City to issue the Notes and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Clerk of Council and a no-litigation certificate of the Mayor and the Director of Finance, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

The Director of Finance is hereby authorized and directed to take such action and to execute and deliver, on behalf of this Council, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Ordinance. Such documents shall be in the form not substantially inconsistent with the terms of this Ordinance, as they in their discretion shall deem necessary or appropriate.

Section 15. Satisfaction of Conditions for Note Issuance. It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Notes in order to make them legal, valid and binding obligations of the City have happened, been done and been performed in regular and due form as required by law; that the Revenues are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing the Notes.

Section 16. Compliance with Open Meeting Requirements. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 17. Emergency Measure. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments, and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Notes to enable the City to timely retire the Outstanding Notes and thereby preserve its credit, and provided it receives the affirmative vote of at least two thirds of the members of this Council, this Ordinance shall take effect and be in force at the earliest date possible as set forth in Section 2.12 of the Charter.

Passed: _____, 2018

President of Council

Clerk of Council

Approved: _____, 2018

Mayor

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. _____ duly adopted by the Council of the City of Lakewood, Ohio on _____, 2018.

Clerk of Council
City of Lakewood, Ohio

ORDINANCE NO. _____

By: _____

AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION INCOME TAX REVENUE NOTES IN THE AMOUNT OF NOT TO EXCEED \$160,000 IN ANTICIPATION OF THE ISSUANCE OF BONDS; TO PAY COSTS OF IMPROVING PARKING LOTS WITHIN THE CITY BY RESURFACING AND REPLACING CONCRETE, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO; PROVIDING FOR THE PLEDGE OF REVENUES FROM THE CITY'S 1.50% INCOME TAX TO SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTES IN ANTICIPATION OF BONDS; AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY

WHEREAS, the City of Lakewood (the "City") levies an income tax at a rate of 1.50% pursuant to Section 128 of the Codified Ordinances of the City (the "Income Tax") to provide funds for general municipal functions of the City;

WHEREAS, pursuant to Article XVIII, Section 3 of the Ohio Constitution, the City is authorized to issue special obligation revenue bonds and bond anticipation notes supported by the Income Tax and in anticipation of the receipt of revenues of the Income Tax (the "Revenues") to provide funds for municipal purposes;

WHEREAS, this Council desires to issue special obligation income tax revenue bond anticipation notes in an aggregate principal amount not to exceed \$160,000 (the "Notes") to finance the costs of the improvement stated in the title of this ordinance (the "Project");

WHEREAS, the Notes shall be payable solely from and secured by the Revenues of the City;

WHEREAS, this Council by a vote of at least two thirds of its members determines that this Ordinance is an emergency measure, and that this Ordinance shall take effect at the earliest date possible as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood (the "Charter"), and that it is necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments and further to allow the City to issue the notes with other notes to be issued by the City into a consolidated issue and obtain savings in the issuance of the notes. Now Therefore

BE IT ORDAINED by the City of Lakewood, Ohio, that:

Section 1. Issuance of Bonds. It is hereby declared necessary to issue revenue bonds of the City, in anticipation of the levy of the Income Tax and receipt of the Revenues, in the principal sum of not to exceed \$160,000 (the "Bonds"), for the purpose of paying the cost of the Project.

Section 2. Terms of the Bonds. The Bonds shall be dated prior to the maturity date of the Notes, shall bear interest at the maximum average annual interest rate presently estimated to be 4.50% per annum, payable semiannually until the principal sum is paid, and shall mature in 15 annual installments.

Section 3. Issuance of Bond Anticipation Notes. It is necessary to issue, and this Council hereby determines that there shall be issued, notes in anticipation of the issuance of the Bonds.

Section 4. Combining Notes for Purposes of Issuance and Sale. It is hereby determined, that for the purposes of issuance and sale, it may be in the best interest of the City to combine the Notes with other income tax revenue notes of the City authorized by separate ordinances of this Council. The Notes

and such other notes shall be jointly referred to herein as the "Combined Notes." As used in this Ordinance, the term "Notes" shall also mean the Combined Notes, where appropriate. The Combined Notes shall be designated "City of Lakewood, Ohio Various Purpose Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance of the City (the "Director of Finance").

Section 5. Terms of the Notes; Certificate of Fiscal Officer Relating to Terms of Notes. The Notes shall be in the amount of not to exceed \$160,000, which sum does not exceed the amount of the Bonds. The Notes shall be dated the date established by the Director of Finance and certified to this Council and shall mature on such date as shall be determined by the Director of Finance and certified to this Council, provided that such date shall not be later than one year after the date of issuance of the Notes. The Notes shall be issued as fully registered notes in book-entry form only, in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof and shall be numbered as determined by the Director of Finance. The Notes shall be issued as fully registered notes. Coupons shall not be attached to the Notes. The Notes shall be sold in a transaction exempt from the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission.

The Director of Finance is authorized and directed to execute a Certificate of Fiscal Officer Relating to Terms of Notes (the "Certificate of Fiscal Officer") setting forth the final terms of the Notes, consistent with the requirements of this Ordinance, and to present the same to this Council after closing.

Section 6. Income Tax Pledge; Security for the Notes. The Notes shall be special obligation income tax revenue notes issued pursuant to Article XVIII, Section 3 of the Ohio Constitution, the Charter of the City and this Ordinance for the purpose of the Project. The Notes may be issued in one or more series. The City hereby covenants and pledges, subject and pursuant to the Constitution and laws of the State of Ohio, to appropriate from the Revenues (a) amounts sufficient to pay principal and interest due on the Notes. The City hereby covenants and agrees that, so long as the Notes are outstanding, the City shall not attempt to create or otherwise permit a pledge or any other lien on the Revenues that is senior to or on a parity with the pledge of the Revenues contained in this Ordinance to pay the principal of and interest on the Notes; provided, however, that this provision shall not be read to limit the City's ability to issue general obligation debt for any municipal purpose. The City hereby covenants and agrees that, so long as the Notes are outstanding, it shall not suffer the repeal, amendment or any other change in this Ordinance or in the City's income tax ordinances that in any way materially and adversely affects or impairs (i) the sufficiency of the Revenues levied and collected or otherwise available for the payment of the Notes or (ii) the pledge or the application of the Revenues to the payment of the Notes.

The Notes shall be special obligations of the City, and the principal of and interest and any premium on the Notes shall be payable solely from the Revenues, and such payment shall be secured by a pledge of the Revenues as provided in this Ordinance.

The Notes shall be special obligation income tax revenue notes payable solely from the Revenues and shall be secured equally and ratably (i) by a pledge of the Revenues; provided, however, that any lien on or pledge of any fund, account, revenues or money shall be valid and enforceable only to the extent permitted by law. Nothing in this Ordinance or the Notes shall constitute a general obligation, debt or bonded indebtedness of the City; neither the general resources of the City shall be required to be used, nor the general credit of the City pledged for the performance of any duty under this Ordinance or the Notes; and further, nothing herein or therein gives the Holders of the Notes, and they do not have, the right to have excises or taxes levied by the City, or by the State or the taxing authority of any other political subdivision, for the payment of principal of, redemption premium, if any, and interest on the Notes, but the Notes are payable solely from the Revenues, and each Note shall contain on the face thereof a statement to that effect; provided, however, that nothing in this Ordinance shall be deemed to prohibit the

City, of its own volition, from using to the extent it is lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of this Ordinance and the Notes.

The City hereby covenants and agrees to observe and perform all its agreements and obligations provided for by the Notes and this Ordinance. All of the obligations under this Ordinance are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon the City within the meaning of Section 2731.01 of the Ohio Revised Code.

Section 7. Sale of the Notes. The Notes shall bear interest, based on a 360-day year of twelve 30-day months, payable at maturity, at such rate per annum as shall be determined by the Director of Finance and certified to this Council, provided that such rate shall not exceed 5.00% per annum. The Notes shall be, and hereby are, awarded and sold at private sale to KeyBanc Capital Markets Inc., Cleveland, Ohio (the "Original Purchaser"), at the purchase price set forth in the Certificate of Fiscal Officer.

The Director of Finance is hereby authorized and directed to deliver the Notes, when executed, to the Original Purchaser upon payment of the purchase price and accrued interest, if any, to the date of delivery. The proceeds of such sale, except any accrued interest or premium thereon, shall be deposited in the Treasury of the City and used for the purpose aforesaid and for no other purpose.

Any accrued interest received from the sale of the Notes shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on the Notes, or other obligations of the City as permitted by law.

Section 8. Form and Execution of Notes; Payment of Notes. The Notes shall be executed by the Director of Finance and the Mayor, provided that any and all of such signatures may be a facsimile, shall be designated "City of Lakewood, Ohio Parking Lot Improvement Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance, and shall be payable as to both principal and interest at the office of Note Registrar (as defined hereinbelow). The Notes shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance.

The principal of and interest on the Notes shall be payable in lawful money of the United States of America without deduction for the services of the Note Registrar. The principal of and interest on the Notes shall be payable upon presentation and surrender of the Notes at their maturity at the office of the Note Registrar. No Note shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Note, is signed by the Note Registrar as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the Note so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Note Registrar or by such other person acting as an agent of the Note Registrar as shall be approved by the Director of Finance on behalf of the City. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Notes.

Section 9. Appointment of Note Registrar. The Director of Finance is authorized and directed to execute on behalf of the City a Note Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Director of Finance and the Original Purchaser, pursuant to which such bank or financial institution shall agree to serve as authenticating agent, note registrar, transfer agent, and paying agent (the "Note Registrar") for the Notes. Interest shall be payable at maturity by check or draft mailed to the Registered Owner hereof, as shown on the registration books of the City maintained by the Note Registrar. If at any time the Note Registrar shall be unable or unwilling to serve as such, or the Director of Finance in such officer's discretion shall determine that it would be in the best interest of the City for such functions to be performed by another party, the Director of Finance may, and is hereby

authorized and directed to, enter into an agreement with a national banking association or other appropriate financial institution experienced in providing such services, to perform the services required of the Note Registrar hereunder. Each such successor Note Registrar shall promptly advise all noteholders of the change in identity and new address of the Note Registrar. So long as any of the Notes remain outstanding, the City shall cause to be maintained and kept by the Note Registrar, at the office of the Note Registrar, all books and records necessary for the registration, exchange and transfer of Notes as provided in this section (the "Note Register"). Subject to the provisions of this Ordinance, the person in whose name any Note shall be registered on the Note Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Note shall be made only to or upon the order of that person. Neither the City nor the Note Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Notes, including the interest thereon, to the extent of the amount or amounts so paid.

Any Notes, upon presentation and surrender at the office of the Note Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar, may be exchanged for Notes of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

A Note may be transferred only on the Note Register upon presentation and surrender thereof at the office of the Note Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar. Upon that transfer, the Note Registrar shall complete, authenticate and deliver a new Note or Notes of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Note Registrar shall not be required to transfer or exchange (i) any Note during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Notes, and ending at the close of business on the day of such mailing, or (ii) any Notes selected for redemption, in whole or in part, following the date of such mailing.

In all cases in which Notes are exchanged or transferred hereunder, the City shall cause to be executed, and the Note Registrar shall authenticate and deliver, the Notes in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the Council and Note Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Council or the Note Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Notes. All Notes issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Notes surrendered upon that transfer or exchange.

Section 10. Book-entry System. For purposes of this Ordinance, the following terms shall have the following meanings:

"Book-entry form" or "book-entry system" means a form or system under which (i) the beneficial right to payment of principal of and interest on the Notes may be transferred only through a book-entry system and (ii) physical Notes in fully registered form are issued only to a Depository or its nominee as registered owner, with the Notes "immobilized" to the custody of the Depository, and the book-entry is the record that identifies the owners of beneficial interests in those Notes.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book-entry system to record beneficial ownership of notes and to effect transfers of notes, in book-entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

The Notes may initially be issued to a Depository for use in a book-entry system, and the provisions of this Section shall apply, notwithstanding any other provision of this Ordinance: (i) there shall be a single Note of each maturity, (ii) those Notes shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book-entry form shall have no right to receive Notes in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Notes in book-entry form shall be shown by book-entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book-entry; and (v) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City. Note service charges on Notes in book-entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative upon presentation and surrender of Notes as provided in this Ordinance.

The Note Registrar may, with the approval of the City, enter into an agreement with the beneficial owner or registered owner of any Note in the custody of a Depository providing for making all payments to that owner of principal and interest on that Note or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided in this Ordinance, without prior presentation or surrender of the Note, upon any conditions which shall be satisfactory to the Note Registrar and to the City. That payment in any event shall be made to the person who is the registered owner of that Note on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Note Registrar will furnish a copy of each of those agreements, certified to be correct by the Note Registrar, to other paying agents for Notes and to the City. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

If requested, the Mayor, Director of Finance, Clerk of Council, or any other officer of this Council, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, the letter agreement among the City, the paying agent for the Notes and The Depository Trust Company, as Depository, to be delivered in connection with the issuance of the Notes to the Depository for use in a book-entry system in substantially the form submitted to this Council.

The City may decide to discontinue use of the book-entry system through the Depository. In that event, Note certificates will be printed and delivered to the Depository.

If any Depository determines not to continue to act as a depository for the Notes for use in a book-entry system, the City and the Note Registrar may attempt to establish a securities depository/book-entry relationship with another qualified Depository under this Ordinance. If the City and the Note Registrar do not or are unable to do so, the City and the Note Registrar, after the Note Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the

Notes from the Depository and authenticate and deliver bond certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing and delivering definitive Notes), if the event is not the result of action or inaction by the City or the Note Registrar, of those persons requesting such issuance.

Section 11. The Director of Finance is hereby directed to create the following funds and accounts into which the proceeds of the Notes and all Revenues shall be deposited, which shall be established and maintained, except as otherwise provided, so long as any Note hereby authorized remains unpaid.

- (a) the Construction Fund designated the "City of Lakewood, Ohio Parking Lot Improvement Series 2018 Construction Fund" (the "Construction Fund");
- (b) the Bond Fund, designated the "City of Lakewood, Ohio Parking Lot Improvement Series 2018 Bond Fund" (the "Bond Fund"); and
- (c) the Issuance Expense Fund designated the "City of Lakewood, Ohio Parking Lot Improvement Series 2018 Issuance Expense Fund" ("Issuance Expense Fund").

Proceeds from the sale of the Notes shall be deposited into the Construction Fund, the Bond Fund and Issuance Expense Fund as described in the Certificate of Fiscal Officer.

Section 12. Federal Tax Law Compliance. The City hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Notes is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Notes so that the Notes will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The City further covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Director of Finance, or any other officer of the City, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the City with respect to the Notes as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Director of Finance, which action shall be in writing and signed by the Director of Finance, or any other officer of the City, including the Mayor, on behalf of the City; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes; and (c) to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the City pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the City regarding compliance by the City with sections 141 through 150 of the Code and the Regulations.

The Director of Finance shall keep and maintain adequate records pertaining to investment of all proceeds of the Notes sufficient to permit, to the maximum extent possible and presently foreseeable, the

City to comply with any federal law or regulation now or hereafter having applicability to the Notes which limits the amount of Note proceeds which may be invested on an unrestricted yield or requires the City to rebate arbitrage profits to the United States Department of the Treasury. The Director of Finance is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Notes requires any such reports or rebates.

Section 13. Appointment of Bond Counsel. The Director of Finance, on behalf of this Council, is hereby authorized to appoint the law firm of Bricker & Eckler LLP to serve as bond counsel for the Notes. The fees to be paid to such firm shall be subject to review and approval of the Director of Finance, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from proceeds of the Notes.

Section 14. Transcript of Proceedings; Execution of Additional Documents. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Notes and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the City to issue the Notes and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Clerk of Council and a no-litigation certificate of the Mayor and the Director of Finance, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

The Director of Finance is hereby authorized and directed to take such action and to execute and deliver, on behalf of this Council, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Ordinance. Such documents shall be in the form not substantially inconsistent with the terms of this Ordinance, as they in their discretion shall deem necessary or appropriate.

Section 15. Satisfaction of Conditions for Note Issuance. It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Notes in order to make them legal, valid and binding obligations of the City have happened, been done and been performed in regular and due form as required by law; that the Revenues are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing the Notes.

Section 16. Compliance with Open Meeting Requirements. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 17. Emergency Measure. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments, and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Notes to enable the City to combine the Notes with other notes to be issued by the City into a consolidated note issue and obtain savings in the issuance of the Notes; and provided it receives the affirmative vote of at least two thirds of the members of this Council, this Ordinance shall take effect and be in force at the earliest date possible as set forth in Section 2.12 of the Charter.

Passed: _____, 2018

President of Council

Clerk of Council

Approved: _____, 2018

Mayor

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. ____ duly adopted by the Council of the City of Lakewood, Ohio on _____, 2018.

Clerk of Council
City of Lakewood, Ohio

ORDINANCE NO. _____

By: _____

AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION INCOME TAX REVENUE NOTES IN THE AMOUNT OF NOT TO EXCEED \$375,000 IN ANTICIPATION OF THE ISSUANCE OF BONDS; TO PAY COSTS OF REPLACING EQUIPMENT AND BACKSTOP FOR POLICE FIRING RANGE, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO; PROVIDING FOR THE PLEDGE OF REVENUES FROM THE CITY'S 1.50% INCOME TAX TO SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTES IN ANTICIPATION OF BONDS; AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY

WHEREAS, the City of Lakewood (the "City") levies an income tax at a rate of 1.50% pursuant to Section 128 of the Codified Ordinances of the City (the "Income Tax") to provide funds for general municipal functions of the City;

WHEREAS, pursuant to Article XVIII, Section 3 of the Ohio Constitution, the City is authorized to issue special obligation revenue bonds and bond anticipation notes supported by the Income Tax and in anticipation of the receipt of revenues of the Income Tax (the "Revenues") to provide funds for municipal purposes;

WHEREAS, this Council desires to issue special obligation income tax revenue bond anticipation notes in an aggregate principal amount not to exceed \$375,000 (the "Notes") to finance the costs of the improvement stated in the title of this ordinance (the "Project");

WHEREAS, the Notes shall be payable solely from and secured by the Revenues of the City;

WHEREAS, this Council by a vote of at least two thirds of its members determines that this Ordinance is an emergency measure, and that this Ordinance shall take effect at the earliest date possible as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood (the "Charter"), and that it is necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments and further to allow the City to issue the notes with other notes to be issued by the City into a consolidated issue and obtain savings in the issuance of the notes. Now Therefore

BE IT ORDAINED by the City of Lakewood, Ohio, that:

Section 1. Issuance of Bonds. It is hereby declared necessary to issue revenue bonds of the City, in anticipation of the levy of the Income Tax and receipt of the Revenues, in the principal sum of not to exceed \$375,000 (the "Bonds"), for the purpose of paying the cost of the Project.

Section 2. Terms of the Bonds. The Bonds shall be dated prior to the maturity date of the Notes, shall bear interest at the maximum average annual interest rate presently estimated to be 4.50% per annum, payable semiannually until the principal sum is paid, and shall mature in 10 annual installments.

Section 3. Issuance of Bond Anticipation Notes. It is necessary to issue, and this Council hereby determines that there shall be issued, notes in anticipation of the issuance of the Bonds.

Section 4. Combining Notes for Purposes of Issuance and Sale. It is hereby determined, that for the purposes of issuance and sale, it may be in the best interest of the City to combine the Notes with other income tax revenue notes of the City authorized by separate ordinances of this Council. The Notes and such other notes shall be jointly referred to herein as the "Combined Notes." As used in this

Ordinance, the term "Notes" shall also mean the Combined Notes, where appropriate. The Combined Notes shall be designated "City of Lakewood, Ohio Various Purpose Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance of the City (the "Director of Finance").

Section 5. Terms of the Notes; Certificate of Fiscal Officer Relating to Terms of Notes. The Notes shall be in the amount of not to exceed \$375,000, which sum does not exceed the amount of the Bonds. The Notes shall be dated the date established by the Director of Finance and certified to this Council and shall mature on such date as shall be determined by the Director of Finance and certified to this Council, provided that such date shall not be later than one year after the date of issuance of the Notes. The Notes shall be issued as fully registered notes in book-entry form only, in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof and shall be numbered as determined by the Director of Finance. The Notes shall be issued as fully registered notes. Coupons shall not be attached to the Notes. The Notes shall be sold in a transaction exempt from the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission.

The Director of Finance is authorized and directed to execute a Certificate of Fiscal Officer Relating to Terms of Notes (the "Certificate of Fiscal Officer") setting forth the final terms of the Notes, consistent with the requirements of this Ordinance, and to present the same to this Council after closing.

Section 6. Income Tax Pledge; Security for the Notes. The Notes shall be special obligation income tax revenue notes issued pursuant to Article XVIII, Section 3 of the Ohio Constitution, the Charter of the City and this Ordinance for the purpose of the Project. The Notes may be issued in one or more series. The City hereby covenants and pledges, subject and pursuant to the Constitution and laws of the State of Ohio, to appropriate from the Revenues (a) amounts sufficient to pay principal and interest due on the Notes. The City hereby covenants and agrees that, so long as the Notes are outstanding, the City shall not attempt to create or otherwise permit a pledge or any other lien on the Revenues that is senior to or on a parity with the pledge of the Revenues contained in this Ordinance to pay the principal of and interest on the Notes; provided, however, that this provision shall not be read to limit the City's ability to issue general obligation debt for any municipal purpose. The City hereby covenants and agrees that, so long as the Notes are outstanding, it shall not suffer the repeal, amendment or any other change in this Ordinance or in the City's income tax ordinances that in any way materially and adversely affects or impairs (i) the sufficiency of the Revenues levied and collected or otherwise available for the payment of the Notes or (ii) the pledge or the application of the Revenues to the payment of the Notes.

The Notes shall be special obligations of the City, and the principal of and interest and any premium on the Notes shall be payable solely from the Revenues, and such payment shall be secured by a pledge of the Revenues as provided in this Ordinance.

The Notes shall be special obligation income tax revenue notes payable solely from the Revenues and shall be secured equally and ratably (i) by a pledge of the Revenues; provided, however, that any lien on or pledge of any fund, account, revenues or money shall be valid and enforceable only to the extent permitted by law. Nothing in this Ordinance or the Notes shall constitute a general obligation, debt or bonded indebtedness of the City; neither the general resources of the City shall be required to be used, nor the general credit of the City pledged for the performance of any duty under this Ordinance or the Notes; and further, nothing herein or therein gives the Holders of the Notes, and they do not have, the right to have excises or taxes levied by the City, or by the State or the taxing authority of any other political subdivision, for the payment of principal of, redemption premium, if any, and interest on the Notes, but the Notes are payable solely from the Revenues, and each Note shall contain on the face thereof a statement to that effect; provided, however, that nothing in this Ordinance shall be deemed to prohibit the City, of its own volition, from using to the extent it is lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of this Ordinance and the Notes.

The City hereby covenants and agrees to observe and perform all its agreements and obligations provided for by the Notes and this Ordinance. All of the obligations under this Ordinance are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon the City within the meaning of Section 2731.01 of the Ohio Revised Code.

Section 7. Sale of the Notes. The Notes shall bear interest, based on a 360-day year of twelve 30-day months, payable at maturity, at such rate per annum as shall be determined by the Director of Finance and certified to this Council, provided that such rate shall not exceed 5.00% per annum. The Notes shall be, and hereby are, awarded and sold at private sale to KeyBanc Capital Markets Inc., Cleveland, Ohio (the "Original Purchaser"), at the purchase price set forth in the Certificate of Fiscal Officer.

The Director of Finance is hereby authorized and directed to deliver the Notes, when executed, to the Original Purchaser upon payment of the purchase price and accrued interest, if any, to the date of delivery. The proceeds of such sale, except any accrued interest or premium thereon, shall be deposited in the Treasury of the City and used for the purpose aforesaid and for no other purpose.

Any accrued interest received from the sale of the Notes shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on the Notes, or other obligations of the City as permitted by law.

Section 8. Form and Execution of Notes; Payment of Notes. The Notes shall be executed by the Director of Finance and the Mayor, provided that any and all of such signatures may be a facsimile, shall be designated "City of Lakewood, Ohio Police Firing Range Improvement Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance, and shall be payable as to both principal and interest at the office of Note Registrar (as defined hereinbelow). The Notes shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance.

The principal of and interest on the Notes shall be payable in lawful money of the United States of America without deduction for the services of the Note Registrar. The principal of and interest on the Notes shall be payable upon presentation and surrender of the Notes at their maturity at the office of the Note Registrar. No Note shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Note, is signed by the Note Registrar as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the Note so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Note Registrar or by such other person acting as an agent of the Note Registrar as shall be approved by the Director of Finance on behalf of the City. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Notes.

Section 9. Appointment of Note Registrar. The Director of Finance is authorized and directed to execute on behalf of the City a Note Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Director of Finance and the Original Purchaser, pursuant to which such bank or financial institution shall agree to serve as authenticating agent, note registrar, transfer agent, and paying agent (the "Note Registrar") for the Notes. Interest shall be payable at maturity by check or draft mailed to the Registered Owner hereof, as shown on the registration books of the City maintained by the Note Registrar. If at any time the Note Registrar shall be unable or unwilling to serve as such, or the Director of Finance in such officer's discretion shall determine that it would be in the best interest of the City for such functions to be performed by another party, the Director of Finance may, and is hereby authorized and directed to, enter into an agreement with a national banking association or other appropriate financial institution experienced in providing such services, to perform the services required of the Note Registrar hereunder. Each such successor Note Registrar shall promptly advise all

noteholders of the change in identity and new address of the Note Registrar. So long as any of the Notes remain outstanding, the City shall cause to be maintained and kept by the Note Registrar, at the office of the Note Registrar, all books and records necessary for the registration, exchange and transfer of Notes as provided in this section (the "Note Register"). Subject to the provisions of this Ordinance, the person in whose name any Note shall be registered on the Note Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Note shall be made only to or upon the order of that person. Neither the City nor the Note Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Notes, including the interest thereon, to the extent of the amount or amounts so paid.

Any Notes, upon presentation and surrender at the office of the Note Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar, may be exchanged for Notes of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

A Note may be transferred only on the Note Register upon presentation and surrender thereof at the office of the Note Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar. Upon that transfer, the Note Registrar shall complete, authenticate and deliver a new Note or Notes of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Note Registrar shall not be required to transfer or exchange (i) any Note during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Notes, and ending at the close of business on the day of such mailing, or (ii) any Notes selected for redemption, in whole or in part, following the date of such mailing.

In all cases in which Notes are exchanged or transferred hereunder, the City shall cause to be executed, and the Note Registrar shall authenticate and deliver, the Notes in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the Council and Note Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Council or the Note Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Notes. All Notes issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Notes surrendered upon that transfer or exchange.

Section 10. Book-entry System. For purposes of this Ordinance, the following terms shall have the following meanings:

"Book-entry form" or "book-entry system" means a form or system under which (i) the beneficial right to payment of principal of and interest on the Notes may be transferred only through a book-entry system and (ii) physical Notes in fully registered form are issued only to a Depository or its nominee as registered owner, with the Notes "immobilized" to the custody of the Depository, and the book-entry is the record that identifies the owners of beneficial interests in those Notes.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book-entry system to record beneficial

ownership of notes and to effect transfers of notes, in book-entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

The Notes may initially be issued to a Depository for use in a book-entry system, and the provisions of this Section shall apply, notwithstanding any other provision of this Ordinance: (i) there shall be a single Note of each maturity, (ii) those Notes shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book-entry form shall have no right to receive Notes in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Notes in book-entry form shall be shown by book-entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book-entry; and (v) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City. Note service charges on Notes in book-entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative upon presentation and surrender of Notes as provided in this Ordinance.

The Note Registrar may, with the approval of the City, enter into an agreement with the beneficial owner or registered owner of any Note in the custody of a Depository providing for making all payments to that owner of principal and interest on that Note or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided in this Ordinance, without prior presentation or surrender of the Note, upon any conditions which shall be satisfactory to the Note Registrar and to the City. That payment in any event shall be made to the person who is the registered owner of that Note on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Note Registrar will furnish a copy of each of those agreements, certified to be correct by the Note Registrar, to other paying agents for Notes and to the City. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

If requested, the Mayor, Director of Finance, Clerk of Council, or any other officer of this Council, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, the letter agreement among the City, the paying agent for the Notes and The Depository Trust Company, as Depository, to be delivered in connection with the issuance of the Notes to the Depository for use in a book-entry system in substantially the form submitted to this Council.

The City may decide to discontinue use of the book-entry system through the Depository. In that event, Note certificates will be printed and delivered to the Depository.

If any Depository determines not to continue to act as a depository for the Notes for use in a book-entry system, the City and the Note Registrar may attempt to establish a securities depository/book-entry relationship with another qualified Depository under this Ordinance. If the City and the Note Registrar do not or are unable to do so, the City and the Note Registrar, after the Note Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the Notes from the Depository and authenticate and deliver bond certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing and delivering definitive Notes), if the event is not the result of action or inaction by the City or the Note Registrar, of those persons requesting such issuance.

Section 11. The Director of Finance is hereby directed to create the following funds and accounts into which the proceeds of the Notes and all Revenues shall be deposited, which shall be

established and maintained, except as otherwise provided, so long as any Note hereby authorized remains unpaid.

- (a) the Construction Fund designated the "City of Lakewood, Ohio Police Firing Range Improvement Series 2018 Construction Fund" (the "Construction Fund");
- (b) the Bond Fund, designated the "City of Lakewood, Ohio Police Firing Range Improvement Series 2018 Bond Fund" (the "Bond Fund"); and
- (c) the Issuance Expense Fund designated the "City of Lakewood, Ohio Police Firing Range Improvement Series 2018 Issuance Expense Fund" ("Issuance Expense Fund").

Proceeds from the sale of the Notes shall be deposited into the Construction Fund, the Bond Fund and Issuance Expense Fund as described in the Certificate of Fiscal Officer.

Section 12. Federal Tax Law Compliance. The City hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Notes is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Notes so that the Notes will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The City further covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Director of Finance, or any other officer of the City, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the City with respect to the Notes as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Director of Finance, which action shall be in writing and signed by the Director of Finance, or any other officer of the City, including the Mayor, on behalf of the City; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes; and (c) to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the City pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the City regarding compliance by the City with sections 141 through 150 of the Code and the Regulations.

The Director of Finance shall keep and maintain adequate records pertaining to investment of all proceeds of the Notes sufficient to permit, to the maximum extent possible and presently foreseeable, the City to comply with any federal law or regulation now or hereafter having applicability to the Notes which limits the amount of Note proceeds which may be invested on an unrestricted yield or requires the City to rebate arbitrage profits to the United States Department of the Treasury. The Director of Finance is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Notes requires any such reports or rebates.

Section 13. Appointment of Bond Counsel. The Director of Finance, on behalf of this Council, is hereby authorized to appoint the law firm of Bricker & Eckler LLP to serve as bond counsel for the Notes. The fees to be paid to such firm shall be subject to review and approval of the Director of Finance, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from proceeds of the Notes.

Section 14. Transcript of Proceedings; Execution of Additional Documents. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Notes and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the City to issue the Notes and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Clerk of Council and a no-litigation certificate of the Mayor and the Director of Finance, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

The Director of Finance is hereby authorized and directed to take such action and to execute and deliver, on behalf of this Council, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Ordinance. Such documents shall be in the form not substantially inconsistent with the terms of this Ordinance, as they in their discretion shall deem necessary or appropriate.

Section 15. Satisfaction of Conditions for Note Issuance. It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Notes in order to make them legal, valid and binding obligations of the City have happened, been done and been performed in regular and due form as required by law; that the Revenues are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing the Notes.

Section 16. Compliance with Open Meeting Requirements. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 17. Emergency Measure. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments, and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Notes to enable the City to combine the Notes with other notes to be issued by the City into a consolidated note issue and obtain savings in the issuance of the Notes; and provided it receives the affirmative vote of at least two thirds of the members of this Council, this Ordinance shall take effect and be in force at the earliest date possible as set forth in Section 2.12 of the Charter.

Passed: _____, 2018

President of Council

Clerk of Council

Approved: _____, 2018

Mayor

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. ____ duly adopted by the Council of the City of Lakewood, Ohio on _____, 2018.

Clerk of Council
City of Lakewood, Ohio

ORDINANCE NO. _____

By: _____

AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION INCOME TAX REVENUE NOTES IN THE AMOUNT OF NOT TO EXCEED \$375,000 IN ANTICIPATION OF THE ISSUANCE OF BONDS; TO PAY COSTS OF IMPROVING PARKS WITHIN THE CITY, INCLUDING KIDS COVE PLAYGROUND AND KAUFMANN PARK, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO; PROVIDING FOR THE PLEDGE OF REVENUES FROM THE CITY'S 1.50% INCOME TAX TO SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTES IN ANTICIPATION OF BONDS; AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY

WHEREAS, the City of Lakewood (the "City") levies an income tax at a rate of 1.50% pursuant to Section 128 of the Codified Ordinances of the City (the "Income Tax") to provide funds for general municipal functions of the City;

WHEREAS, pursuant to Article XVIII, Section 3 of the Ohio Constitution, the City is authorized to issue special obligation revenue bonds and bond anticipation notes supported by the Income Tax and in anticipation of the receipt of revenues of the Income Tax (the "Revenues") to provide funds for municipal purposes;

WHEREAS, this Council desires to issue special obligation income tax revenue bond anticipation notes in an aggregate principal amount not to exceed \$375,000 (the "Notes") to finance the costs of the improvement stated in the title of this ordinance (the "Project");

WHEREAS, the Notes shall be payable solely from and secured by the Revenues of the City;

WHEREAS, this Council by a vote of at least two thirds of its members determines that this Ordinance is an emergency measure, and that this Ordinance shall take effect at the earliest date possible as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood (the "Charter"), and that it is necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments and further to allow the City to issue the notes with other notes to be issued by the City into a consolidated issue and obtain savings in the issuance of the notes. Now Therefore

BE IT ORDAINED by the City of Lakewood, Ohio, that:

Section 1. Issuance of Bonds. It is hereby declared necessary to issue revenue bonds of the City, in anticipation of the levy of the Income Tax and receipt of the Revenues, in the principal sum of not to exceed \$375,000 (the "Bonds"), for the purpose of paying the cost of the Project.

Section 2. Terms of the Bonds. The Bonds shall be dated prior to the maturity date of the Notes, shall bear interest at the maximum average annual interest rate presently estimated to be 4.50% per annum, payable semiannually until the principal sum is paid, and shall mature in 10 annual installments.

Section 3. Issuance of Bond Anticipation Notes. It is necessary to issue, and this Council hereby determines that there shall be issued, notes in anticipation of the issuance of the Bonds.

Section 4. Combining Notes for Purposes of Issuance and Sale. It is hereby determined, that for the purposes of issuance and sale, it may be in the best interest of the City to combine the Notes with other income tax revenue notes of the City authorized by separate ordinances of this Council. The Notes

and such other notes shall be jointly referred to herein as the "Combined Notes." As used in this Ordinance, the term "Notes" shall also mean the Combined Notes, where appropriate. The Combined Notes shall be designated "City of Lakewood, Ohio Various Purpose Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance of the City (the "Director of Finance").

Section 5. Terms of the Notes; Certificate of Fiscal Officer Relating to Terms of Notes. The Notes shall be in the amount of not to exceed \$375,000, which sum does not exceed the amount of the Bonds. The Notes shall be dated the date established by the Director of Finance and certified to this Council and shall mature on such date as shall be determined by the Director of Finance and certified to this Council, provided that such date shall not be later than one year after the date of issuance of the Notes. The Notes shall be issued as fully registered notes in book-entry form only, in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof and shall be numbered as determined by the Director of Finance. The Notes shall be issued as fully registered notes. Coupons shall not be attached to the Notes. The Notes shall be sold in a transaction exempt from the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission.

The Director of Finance is authorized and directed to execute a Certificate of Fiscal Officer Relating to Terms of Notes (the "Certificate of Fiscal Officer") setting forth the final terms of the Notes, consistent with the requirements of this Ordinance, and to present the same to this Council after closing.

Section 6. Income Tax Pledge; Security for the Notes. The Notes shall be special obligation income tax revenue notes issued pursuant to Article XVIII, Section 3 of the Ohio Constitution, the Charter of the City and this Ordinance for the purpose of the Project. The Notes may be issued in one or more series. The City hereby covenants and pledges, subject and pursuant to the Constitution and laws of the State of Ohio, to appropriate from the Revenues (a) amounts sufficient to pay principal and interest due on the Notes. The City hereby covenants and agrees that, so long as the Notes are outstanding, the City shall not attempt to create or otherwise permit a pledge or any other lien on the Revenues that is senior to or on a parity with the pledge of the Revenues contained in this Ordinance to pay the principal of and interest on the Notes; provided, however, that this provision shall not be read to limit the City's ability to issue general obligation debt for any municipal purpose. The City hereby covenants and agrees that, so long as the Notes are outstanding, it shall not suffer the repeal, amendment or any other change in this Ordinance or in the City's income tax ordinances that in any way materially and adversely affects or impairs (i) the sufficiency of the Revenues levied and collected or otherwise available for the payment of the Notes or (ii) the pledge or the application of the Revenues to the payment of the Notes.

The Notes shall be special obligations of the City, and the principal of and interest and any premium on the Notes shall be payable solely from the Revenues, and such payment shall be secured by a pledge of the Revenues as provided in this Ordinance.

The Notes shall be special obligation income tax revenue notes payable solely from the Revenues and shall be secured equally and ratably (i) by a pledge of the Revenues; provided, however, that any lien on or pledge of any fund, account, revenues or money shall be valid and enforceable only to the extent permitted by law. Nothing in this Ordinance or the Notes shall constitute a general obligation, debt or bonded indebtedness of the City; neither the general resources of the City shall be required to be used, nor the general credit of the City pledged for the performance of any duty under this Ordinance or the Notes; and further, nothing herein or therein gives the Holders of the Notes, and they do not have, the right to have excises or taxes levied by the City, or by the State or the taxing authority of any other political subdivision, for the payment of principal of, redemption premium, if any, and interest on the Notes, but the Notes are payable solely from the Revenues, and each Note shall contain on the face thereof a statement to that effect; provided, however, that nothing in this Ordinance shall be deemed to prohibit the

City, of its own volition, from using to the extent it is lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of this Ordinance and the Notes.

The City hereby covenants and agrees to observe and perform all its agreements and obligations provided for by the Notes and this Ordinance. All of the obligations under this Ordinance are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon the City within the meaning of Section 2731.01 of the Ohio Revised Code.

Section 7. Sale of the Notes. The Notes shall bear interest, based on a 360-day year of twelve 30-day months, payable at maturity, at such rate per annum as shall be determined by the Director of Finance and certified to this Council, provided that such rate shall not exceed 5.00% per annum. The Notes shall be, and hereby are, awarded and sold at private sale to KeyBanc Capital Markets Inc., Cleveland, Ohio (the "Original Purchaser"), at the purchase price set forth in the Certificate of Fiscal Officer.

The Director of Finance is hereby authorized and directed to deliver the Notes, when executed, to the Original Purchaser upon payment of the purchase price and accrued interest, if any, to the date of delivery. The proceeds of such sale, except any accrued interest or premium thereon, shall be deposited in the Treasury of the City and used for the purpose aforesaid and for no other purpose.

Any accrued interest received from the sale of the Notes shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on the Notes, or other obligations of the City as permitted by law.

Section 8. Form and Execution of Notes; Payment of Notes. The Notes shall be executed by the Director of Finance and the Mayor, provided that any and all of such signatures may be a facsimile, shall be designated "City of Lakewood, Ohio Park Improvement Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance, and shall be payable as to both principal and interest at the office of Note Registrar (as defined hereinbelow). The Notes shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance.

The principal of and interest on the Notes shall be payable in lawful money of the United States of America without deduction for the services of the Note Registrar. The principal of and interest on the Notes shall be payable upon presentation and surrender of the Notes at their maturity at the office of the Note Registrar. No Note shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Note, is signed by the Note Registrar as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the Note so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Note Registrar or by such other person acting as an agent of the Note Registrar as shall be approved by the Director of Finance on behalf of the City. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Notes.

Section 9. Appointment of Note Registrar. The Director of Finance is authorized and directed to execute on behalf of the City a Note Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Director of Finance and the Original Purchaser, pursuant to which such bank or financial institution shall agree to serve as authenticating agent, note registrar, transfer agent, and paying agent (the "Note Registrar") for the Notes. Interest shall be payable at maturity by check or draft mailed to the Registered Owner hereof, as shown on the registration books of the City maintained by the Note Registrar. If at any time the Note Registrar shall be unable or unwilling to serve as such, or the Director of Finance in such officer's discretion shall determine that it would be in the best interest of the City for such functions to be performed by another party, the Director of Finance may, and is hereby

authorized and directed to, enter into an agreement with a national banking association or other appropriate financial institution experienced in providing such services, to perform the services required of the Note Registrar hereunder. Each such successor Note Registrar shall promptly advise all noteholders of the change in identity and new address of the Note Registrar. So long as any of the Notes remain outstanding, the City shall cause to be maintained and kept by the Note Registrar, at the office of the Note Registrar, all books and records necessary for the registration, exchange and transfer of Notes as provided in this section (the "Note Register"). Subject to the provisions of this Ordinance, the person in whose name any Note shall be registered on the Note Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Note shall be made only to or upon the order of that person. Neither the City nor the Note Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Notes, including the interest thereon, to the extent of the amount or amounts so paid.

Any Notes, upon presentation and surrender at the office of the Note Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar, may be exchanged for Notes of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

A Note may be transferred only on the Note Register upon presentation and surrender thereof at the office of the Note Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar. Upon that transfer, the Note Registrar shall complete, authenticate and deliver a new Note or Notes of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Note Registrar shall not be required to transfer or exchange (i) any Note during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Notes, and ending at the close of business on the day of such mailing, or (ii) any Notes selected for redemption, in whole or in part, following the date of such mailing.

In all cases in which Notes are exchanged or transferred hereunder, the City shall cause to be executed, and the Note Registrar shall authenticate and deliver, the Notes in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the Council and Note Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Council or the Note Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Notes. All Notes issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Notes surrendered upon that transfer or exchange.

Section 10. Book-entry System. For purposes of this Ordinance, the following terms shall have the following meanings:

“Book-entry form” or “book-entry system” means a form or system under which (i) the beneficial right to payment of principal of and interest on the Notes may be transferred only through a book-entry system and (ii) physical Notes in fully registered form are issued only to a Depository or its nominee as registered owner, with the Notes “immobilized” to the custody of the Depository, and the book-entry is the record that identifies the owners of beneficial interests in those Notes.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book-entry system to record beneficial ownership of notes and to effect transfers of notes, in book-entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

The Notes may initially be issued to a Depository for use in a book-entry system, and the provisions of this Section shall apply, notwithstanding any other provision of this Ordinance: (i) there shall be a single Note of each maturity, (ii) those Notes shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book-entry form shall have no right to receive Notes in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Notes in book-entry form shall be shown by book-entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book-entry; and (v) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City. Note service charges on Notes in book-entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative upon presentation and surrender of Notes as provided in this Ordinance.

The Note Registrar may, with the approval of the City, enter into an agreement with the beneficial owner or registered owner of any Note in the custody of a Depository providing for making all payments to that owner of principal and interest on that Note or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided in this Ordinance, without prior presentation or surrender of the Note, upon any conditions which shall be satisfactory to the Note Registrar and to the City. That payment in any event shall be made to the person who is the registered owner of that Note on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Note Registrar will furnish a copy of each of those agreements, certified to be correct by the Note Registrar, to other paying agents for Notes and to the City. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

If requested, the Mayor, Director of Finance, Clerk of Council, or any other officer of this Council, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, the letter agreement among the City, the paying agent for the Notes and The Depository Trust Company, as Depository, to be delivered in connection with the issuance of the Notes to the Depository for use in a book-entry system in substantially the form submitted to this Council.

The City may decide to discontinue use of the book-entry system through the Depository. In that event, Note certificates will be printed and delivered to the Depository.

If any Depository determines not to continue to act as a depository for the Notes for use in a book-entry system, the City and the Note Registrar may attempt to establish a securities depository/book-entry relationship with another qualified Depository under this Ordinance. If the City and the Note Registrar do not or are unable to do so, the City and the Note Registrar, after the Note Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the

Notes from the Depository and authenticate and deliver bond certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing and delivering definitive Notes), if the event is not the result of action or inaction by the City or the Note Registrar, of those persons requesting such issuance.

Section 11. The Director of Finance is hereby directed to create the following funds and accounts into which the proceeds of the Notes and all Revenues shall be deposited, which shall be established and maintained, except as otherwise provided, so long as any Note hereby authorized remains unpaid.

- (a) the Construction Fund designated the "City of Lakewood, Ohio Park Improvement Series 2018 Construction Fund" (the "Construction Fund");
- (b) the Bond Fund, designated the "City of Lakewood, Ohio Park Improvement Series 2018 Bond Fund" (the "Bond Fund"); and
- (c) the Issuance Expense Fund designated the "City of Lakewood, Ohio Park Improvement Series 2018 Issuance Expense Fund" ("Issuance Expense Fund").

Proceeds from the sale of the Notes shall be deposited into the Construction Fund, the Bond Fund and Issuance Expense Fund as described in the Certificate of Fiscal Officer.

Section 12. Federal Tax Law Compliance. The City hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Notes is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Notes so that the Notes will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The City further covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Director of Finance, or any other officer of the City, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the City with respect to the Notes as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Director of Finance, which action shall be in writing and signed by the Director of Finance, or any other officer of the City, including the Mayor, on behalf of the City; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes; and (c) to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the City pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the City regarding compliance by the City with sections 141 through 150 of the Code and the Regulations.

The Director of Finance shall keep and maintain adequate records pertaining to investment of all proceeds of the Notes sufficient to permit, to the maximum extent possible and presently foreseeable, the

City to comply with any federal law or regulation now or hereafter having applicability to the Notes which limits the amount of Note proceeds which may be invested on an unrestricted yield or requires the City to rebate arbitrage profits to the United States Department of the Treasury. The Director of Finance is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Notes requires any such reports or rebates.

Section 13. Appointment of Bond Counsel. The Director of Finance, on behalf of this Council, is hereby authorized to appoint the law firm of Bricker & Eckler LLP to serve as bond counsel for the Notes. The fees to be paid to such firm shall be subject to review and approval of the Director of Finance, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from proceeds of the Notes.

Section 14. Transcript of Proceedings; Execution of Additional Documents. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Notes and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the City to issue the Notes and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Clerk of Council and a no-litigation certificate of the Mayor and the Director of Finance, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

The Director of Finance is hereby authorized and directed to take such action and to execute and deliver, on behalf of this Council, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Ordinance. Such documents shall be in the form not substantially inconsistent with the terms of this Ordinance, as they in their discretion shall deem necessary or appropriate.

Section 15. Satisfaction of Conditions for Note Issuance. It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Notes in order to make them legal, valid and binding obligations of the City have happened, been done and been performed in regular and due form as required by law; that the Revenues are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing the Notes.

Section 16. Compliance with Open Meeting Requirements. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 17. Emergency Measure. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments, and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Notes to enable the City to combine the Notes with other notes to be issued by the City into a consolidated note issue and obtain savings in the issuance of the Notes; and provided it receives the affirmative vote of at least two thirds of the members of this Council, this Ordinance shall take effect and be in force at the earliest date possible as set forth in Section 2.12 of the Charter.

Passed: _____, 2018

President of Council

Clerk of Council

Approved: _____, 2018

Mayor

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. ____ duly adopted by the Council of the City of Lakewood, Ohio on _____, 2018.

Clerk of Council
City of Lakewood, Ohio

ORDINANCE NO. _____

By: _____

AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION INCOME TAX REVENUE NOTES IN THE AMOUNT OF NOT TO EXCEED \$475,000 IN ANTICIPATION OF THE ISSUANCE OF BONDS; TO PAY COSTS OF REPLACING OR IMPROVING THE ROOF OF THE PUBLIC WORKS GARAGE AND OTHER PUBLIC BUILDINGS, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO; PROVIDING FOR THE PLEDGE OF REVENUES FROM THE CITY'S 1.50% INCOME TAX TO SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTES IN ANTICIPATION OF BONDS; AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY

WHEREAS, the City of Lakewood (the "City") levies an income tax at a rate of 1.50% pursuant to Section 128 of the Codified Ordinances of the City (the "Income Tax") to provide funds for general municipal functions of the City;

WHEREAS, pursuant to Article XVIII, Section 3 of the Ohio Constitution, the City is authorized to issue special obligation revenue bonds and bond anticipation notes supported by the Income Tax and in anticipation of the receipt of revenues of the Income Tax (the "Revenues") to provide funds for municipal purposes;

WHEREAS, this Council desires to issue special obligation income tax revenue bond anticipation notes in an aggregate principal amount not to exceed \$475,000 (the "Notes") to finance the costs of the improvement stated in the title of this ordinance (the "Project");

WHEREAS, the Notes shall be payable solely from and secured by the Revenues of the City;

WHEREAS, this Council by a vote of at least two thirds of its members determines that this Ordinance is an emergency measure, and that this Ordinance shall take effect at the earliest date possible as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood (the "Charter"), and that it is necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments and further to allow the City to issue the notes with other notes to be issued by the City into a consolidated issue and obtain savings in the issuance of the notes. Now Therefore

BE IT ORDAINED by the City of Lakewood, Ohio, that:

Section 1. Issuance of Bonds. It is hereby declared necessary to issue revenue bonds of the City, in anticipation of the levy of the Income Tax and receipt of the Revenues, in the principal sum of not to exceed \$475,000 (the "Bonds"), for the purpose of paying the cost of the Project.

Section 2. Terms of the Bonds. The Bonds shall be dated prior to the maturity date of the Notes, shall bear interest at the maximum average annual interest rate presently estimated to be 4.50% per annum, payable semiannually until the principal sum is paid, and shall mature in 20 annual installments.

Section 3. Issuance of Bond Anticipation Notes. It is necessary to issue, and this Council hereby determines that there shall be issued, notes in anticipation of the issuance of the Bonds.

Section 4. Combining Notes for Purposes of Issuance and Sale. It is hereby determined, that for the purposes of issuance and sale, it may be in the best interest of the City to combine the Notes with other income tax revenue notes of the City authorized by separate ordinances of this Council. The Notes

and such other notes shall be jointly referred to herein as the "Combined Notes." As used in this Ordinance, the term "Notes" shall also mean the Combined Notes, where appropriate. The Combined Notes shall be designated "City of Lakewood, Ohio Various Purpose Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance of the City (the "Director of Finance").

Section 5. Terms of the Notes; Certificate of Fiscal Officer Relating to Terms of Notes. The Notes shall be in the amount of not to exceed \$475,000, which sum does not exceed the amount of the Bonds. The Notes shall be dated the date established by the Director of Finance and certified to this Council and shall mature on such date as shall be determined by the Director of Finance and certified to this Council, provided that such date shall not be later than one year after the date of issuance of the Notes. The Notes shall be issued as fully registered notes in book-entry form only, in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof and shall be numbered as determined by the Director of Finance. The Notes shall be issued as fully registered notes. Coupons shall not be attached to the Notes. The Notes shall be sold in a transaction exempt from the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission.

The Director of Finance is authorized and directed to execute a Certificate of Fiscal Officer Relating to Terms of Notes (the "Certificate of Fiscal Officer") setting forth the final terms of the Notes, consistent with the requirements of this Ordinance, and to present the same to this Council after closing.

Section 6. Income Tax Pledge; Security for the Notes. The Notes shall be special obligation income tax revenue notes issued pursuant to Article XVIII, Section 3 of the Ohio Constitution, the Charter of the City and this Ordinance for the purpose of the Project. The Notes may be issued in one or more series. The City hereby covenants and pledges, subject and pursuant to the Constitution and laws of the State of Ohio, to appropriate from the Revenues (a) amounts sufficient to pay principal and interest due on the Notes. The City hereby covenants and agrees that, so long as the Notes are outstanding, the City shall not attempt to create or otherwise permit a pledge or any other lien on the Revenues that is senior to or on a parity with the pledge of the Revenues contained in this Ordinance to pay the principal of and interest on the Notes; provided, however, that this provision shall not be read to limit the City's ability to issue general obligation debt for any municipal purpose. The City hereby covenants and agrees that, so long as the Notes are outstanding, it shall not suffer the repeal, amendment or any other change in this Ordinance or in the City's income tax ordinances that in any way materially and adversely affects or impairs (i) the sufficiency of the Revenues levied and collected or otherwise available for the payment of the Notes or (ii) the pledge or the application of the Revenues to the payment of the Notes.

The Notes shall be special obligations of the City, and the principal of and interest and any premium on the Notes shall be payable solely from the Revenues, and such payment shall be secured by a pledge of the Revenues as provided in this Ordinance.

The Notes shall be special obligation income tax revenue notes payable solely from the Revenues and shall be secured equally and ratably (i) by a pledge of the Revenues; provided, however, that any lien on or pledge of any fund, account, revenues or money shall be valid and enforceable only to the extent permitted by law. Nothing in this Ordinance or the Notes shall constitute a general obligation, debt or bonded indebtedness of the City; neither the general resources of the City shall be required to be used, nor the general credit of the City pledged for the performance of any duty under this Ordinance or the Notes; and further, nothing herein or therein gives the Holders of the Notes, and they do not have, the right to have excises or taxes levied by the City, or by the State or the taxing authority of any other political subdivision, for the payment of principal of, redemption premium, if any, and interest on the Notes, but the Notes are payable solely from the Revenues, and each Note shall contain on the face thereof a statement to that effect; provided, however, that nothing in this Ordinance shall be deemed to prohibit the

City, of its own volition, from using to the extent it is lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of this Ordinance and the Notes.

The City hereby covenants and agrees to observe and perform all its agreements and obligations provided for by the Notes and this Ordinance. All of the obligations under this Ordinance are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon the City within the meaning of Section 2731.01 of the Ohio Revised Code.

Section 7. Sale of the Notes. The Notes shall bear interest, based on a 360-day year of twelve 30-day months, payable at maturity, at such rate per annum as shall be determined by the Director of Finance and certified to this Council, provided that such rate shall not exceed 5.00% per annum. The Notes shall be, and hereby are, awarded and sold at private sale to KeyBanc Capital Markets Inc., Cleveland, Ohio (the "Original Purchaser"), at the purchase price set forth in the Certificate of Fiscal Officer.

The Director of Finance is hereby authorized and directed to deliver the Notes, when executed, to the Original Purchaser upon payment of the purchase price and accrued interest, if any, to the date of delivery. The proceeds of such sale, except any accrued interest or premium thereon, shall be deposited in the Treasury of the City and used for the purpose aforesaid and for no other purpose.

Any accrued interest received from the sale of the Notes shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on the Notes, or other obligations of the City as permitted by law.

Section 8. Form and Execution of Notes; Payment of Notes. The Notes shall be executed by the Director of Finance and the Mayor, provided that any and all of such signatures may be a facsimile, shall be designated "City of Lakewood, Ohio Roof Improvement Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance, and shall be payable as to both principal and interest at the office of Note Registrar (as defined hereinbelow). The Notes shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance.

The principal of and interest on the Notes shall be payable in lawful money of the United States of America without deduction for the services of the Note Registrar. The principal of and interest on the Notes shall be payable upon presentation and surrender of the Notes at their maturity at the office of the Note Registrar. No Note shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Note, is signed by the Note Registrar as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the Note so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Note Registrar or by such other person acting as an agent of the Note Registrar as shall be approved by the Director of Finance on behalf of the City. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Notes.

Section 9. Appointment of Note Registrar. The Director of Finance is authorized and directed to execute on behalf of the City a Note Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Director of Finance and the Original Purchaser, pursuant to which such bank or financial institution shall agree to serve as authenticating agent, note registrar, transfer agent, and paying agent (the "Note Registrar") for the Notes. Interest shall be payable at maturity by check or draft mailed to the Registered Owner hereof, as shown on the registration books of the City maintained by the Note Registrar. If at any time the Note Registrar shall be unable or unwilling to serve as such, or the Director of Finance in such officer's discretion shall determine that it would be in the best interest of the City for such functions to be performed by another party, the Director of Finance may, and is hereby

authorized and directed to, enter into an agreement with a national banking association or other appropriate financial institution experienced in providing such services, to perform the services required of the Note Registrar hereunder. Each such successor Note Registrar shall promptly advise all noteholders of the change in identity and new address of the Note Registrar. So long as any of the Notes remain outstanding, the City shall cause to be maintained and kept by the Note Registrar, at the office of the Note Registrar, all books and records necessary for the registration, exchange and transfer of Notes as provided in this section (the "Note Register"). Subject to the provisions of this Ordinance, the person in whose name any Note shall be registered on the Note Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Note shall be made only to or upon the order of that person. Neither the City nor the Note Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Notes, including the interest thereon, to the extent of the amount or amounts so paid.

Any Notes, upon presentation and surrender at the office of the Note Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar, may be exchanged for Notes of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

A Note may be transferred only on the Note Register upon presentation and surrender thereof at the office of the Note Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar. Upon that transfer, the Note Registrar shall complete, authenticate and deliver a new Note or Notes of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Note Registrar shall not be required to transfer or exchange (i) any Note during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Notes, and ending at the close of business on the day of such mailing, or (ii) any Notes selected for redemption, in whole or in part, following the date of such mailing.

In all cases in which Notes are exchanged or transferred hereunder, the City shall cause to be executed, and the Note Registrar shall authenticate and deliver, the Notes in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the Council and Note Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Council or the Note Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Notes. All Notes issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Notes surrendered upon that transfer or exchange.

Section 10. Book-entry System. For purposes of this Ordinance, the following terms shall have the following meanings:

“Book-entry form” or “book-entry system” means a form or system under which (i) the beneficial right to payment of principal of and interest on the Notes may be transferred only through a book-entry system and (ii) physical Notes in fully registered form are issued only to a Depository or its nominee as registered owner, with the Notes “immobilized” to the custody of the Depository, and the book-entry is the record that identifies the owners of beneficial interests in those Notes.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book-entry system to record beneficial ownership of notes and to effect transfers of notes, in book-entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

The Notes may initially be issued to a Depository for use in a book-entry system, and the provisions of this Section shall apply, notwithstanding any other provision of this Ordinance: (i) there shall be a single Note of each maturity, (ii) those Notes shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book-entry form shall have no right to receive Notes in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Notes in book-entry form shall be shown by book-entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book-entry; and (v) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City. Note service charges on Notes in book-entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative upon presentation and surrender of Notes as provided in this Ordinance.

The Note Registrar may, with the approval of the City, enter into an agreement with the beneficial owner or registered owner of any Note in the custody of a Depository providing for making all payments to that owner of principal and interest on that Note or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided in this Ordinance, without prior presentation or surrender of the Note, upon any conditions which shall be satisfactory to the Note Registrar and to the City. That payment in any event shall be made to the person who is the registered owner of that Note on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Note Registrar will furnish a copy of each of those agreements, certified to be correct by the Note Registrar, to other paying agents for Notes and to the City. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

If requested, the Mayor, Director of Finance, Clerk of Council, or any other officer of this Council, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, the letter agreement among the City, the paying agent for the Notes and The Depository Trust Company, as Depository, to be delivered in connection with the issuance of the Notes to the Depository for use in a book-entry system in substantially the form submitted to this Council.

The City may decide to discontinue use of the book-entry system through the Depository. In that event, Note certificates will be printed and delivered to the Depository.

If any Depository determines not to continue to act as a depository for the Notes for use in a book-entry system, the City and the Note Registrar may attempt to establish a securities depository/book-entry relationship with another qualified Depository under this Ordinance. If the City and the Note Registrar do not or are unable to do so, the City and the Note Registrar, after the Note Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the

Notes from the Depository and authenticate and deliver bond certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing and delivering definitive Notes), if the event is not the result of action or inaction by the City or the Note Registrar, of those persons requesting such issuance.

Section 11. The Director of Finance is hereby directed to create the following funds and accounts into which the proceeds of the Notes and all Revenues shall be deposited, which shall be established and maintained, except as otherwise provided, so long as any Note hereby authorized remains unpaid.

- (a) the Construction Fund designated the "City of Lakewood, Ohio Roof Improvement Series 2018 Construction Fund" (the "Construction Fund");
- (b) the Bond Fund, designated the "City of Lakewood, Ohio Roof Improvement Series 2018 Bond Fund" (the "Bond Fund"); and
- (c) the Issuance Expense Fund designated the "City of Lakewood, Ohio Roof Improvement Series 2018 Issuance Expense Fund" ("Issuance Expense Fund").

Proceeds from the sale of the Notes shall be deposited into the Construction Fund, the Bond Fund and Issuance Expense Fund as described in the Certificate of Fiscal Officer.

Section 12. Federal Tax Law Compliance. The City hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Notes is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Notes so that the Notes will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The City further covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Director of Finance, or any other officer of the City, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the City with respect to the Notes as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Director of Finance, which action shall be in writing and signed by the Director of Finance, or any other officer of the City, including the Mayor, on behalf of the City; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes; and (c) to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the City pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the City regarding compliance by the City with sections 141 through 150 of the Code and the Regulations.

The Director of Finance shall keep and maintain adequate records pertaining to investment of all proceeds of the Notes sufficient to permit, to the maximum extent possible and presently foreseeable, the

City to comply with any federal law or regulation now or hereafter having applicability to the Notes which limits the amount of Note proceeds which may be invested on an unrestricted yield or requires the City to rebate arbitrage profits to the United States Department of the Treasury. The Director of Finance is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Notes requires any such reports or rebates.

Section 13. Appointment of Bond Counsel. The Director of Finance, on behalf of this Council, is hereby authorized to appoint the law firm of Bricker & Eckler LLP to serve as bond counsel for the Notes. The fees to be paid to such firm shall be subject to review and approval of the Director of Finance, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from proceeds of the Notes.

Section 14. Transcript of Proceedings; Execution of Additional Documents. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Notes and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the City to issue the Notes and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Clerk of Council and a no-litigation certificate of the Mayor and the Director of Finance, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

The Director of Finance is hereby authorized and directed to take such action and to execute and deliver, on behalf of this Council, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Ordinance. Such documents shall be in the form not substantially inconsistent with the terms of this Ordinance, as they in their discretion shall deem necessary or appropriate.

Section 15. Satisfaction of Conditions for Note Issuance. It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Notes in order to make them legal, valid and binding obligations of the City have happened, been done and been performed in regular and due form as required by law; that the Revenues are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing the Notes.

Section 16. Compliance with Open Meeting Requirements. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 17. Emergency Measure. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments, and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Notes to enable the City to combine the Notes with other notes to be issued by the City into a consolidated note issue and obtain savings in the issuance of the Notes; and provided it receives the affirmative vote of at least two thirds of the members of this Council, this Ordinance shall take effect and be in force at the earliest date possible as set forth in Section 2.12 of the Charter.

Passed: _____, 2018

President of Council

Approved: _____, 2018

Clerk of Council

Mayor

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. ____ duly adopted by the Council of the City of Lakewood, Ohio on _____, 2018.

Clerk of Council
City of Lakewood, Ohio

ORDINANCE NO. _____

By: _____

AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION INCOME TAX REVENUE NOTES IN THE AMOUNT OF NOT TO EXCEED \$700,000 IN ANTICIPATION OF THE ISSUANCE OF BONDS; TO PAY COSTS OF IMPROVING SIDEWALKS WITHIN THE CITY, TOGETHER WITH ALL APPURTENANCES THERETO; PROVIDING FOR THE PLEDGE OF REVENUES FROM THE CITY'S 1.50% INCOME TAX TO SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTES IN ANTICIPATION OF BONDS; AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY

WHEREAS, the City of Lakewood (the "City") levies an income tax at a rate of 1.50% pursuant to Section 128 of the Codified Ordinances of the City (the "Income Tax") to provide funds for general municipal functions of the City;

WHEREAS, pursuant to Article XVIII, Section 3 of the Ohio Constitution, the City is authorized to issue special obligation revenue bonds and bond anticipation notes supported by the Income Tax and in anticipation of the receipt of revenues of the Income Tax (the "Revenues") to provide funds for municipal purposes;

WHEREAS, this Council desires to issue special obligation income tax revenue bond anticipation notes in an aggregate principal amount not to exceed \$700,000 (the "Notes") to finance the costs of the improvement stated in the title of this ordinance (the "Project");

WHEREAS, the Notes shall be payable solely from and secured by the Revenues of the City;

WHEREAS, this Council by a vote of at least two thirds of its members determines that this Ordinance is an emergency measure, and that this Ordinance shall take effect at the earliest date possible as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood (the "Charter"), and that it is necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments and further to allow the City to issue the notes with other notes to be issued by the City into a consolidated issue and obtain savings in the issuance of the notes. Now Therefore

BE IT ORDAINED by the City of Lakewood, Ohio, that:

Section 1. Issuance of Bonds. It is hereby declared necessary to issue revenue bonds of the City, in anticipation of the levy of the Income Tax and receipt of the Revenues, in the principal sum of not to exceed \$700,000 (the "Bonds"), for the purpose of paying the cost of the Project.

Section 2. Terms of the Bonds. The Bonds shall be dated prior to the maturity date of the Notes, shall bear interest at the maximum average annual interest rate presently estimated to be 4.50% per annum, payable semiannually until the principal sum is paid, and shall mature in 10 annual installments.

Section 3. Issuance of Bond Anticipation Notes. It is necessary to issue, and this Council hereby determines that there shall be issued, notes in anticipation of the issuance of the Bonds.

Section 4. Combining Notes for Purposes of Issuance and Sale. It is hereby determined, that for the purposes of issuance and sale, it may be in the best interest of the City to combine the Notes with other income tax revenue notes of the City authorized by separate ordinances of this Council. The Notes and such other notes shall be jointly referred to herein as the "Combined Notes." As used in this

Ordinance, the term "Notes" shall also mean the Combined Notes, where appropriate. The Combined Notes shall be designated "City of Lakewood, Ohio Various Purpose Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance of the City (the "Director of Finance").

Section 5. Terms of the Notes; Certificate of Fiscal Officer Relating to Terms of Notes. The Notes shall be in the amount of not to exceed \$700,000, which sum does not exceed the amount of the Bonds. The Notes shall be dated the date established by the Director of Finance and certified to this Council and shall mature on such date as shall be determined by the Director of Finance and certified to this Council, provided that such date shall not be later than one year after the date of issuance of the Notes. The Notes shall be issued as fully registered notes in book-entry form only, in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof and shall be numbered as determined by the Director of Finance. The Notes shall be issued as fully registered notes. Coupons shall not be attached to the Notes. The Notes shall be sold in a transaction exempt from the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission.

The Director of Finance is authorized and directed to execute a Certificate of Fiscal Officer Relating to Terms of Notes (the "Certificate of Fiscal Officer") setting forth the final terms of the Notes, consistent with the requirements of this Ordinance, and to present the same to this Council after closing.

Section 6. Income Tax Pledge; Security for the Notes. The Notes shall be special obligation income tax revenue notes issued pursuant to Article XVIII, Section 3 of the Ohio Constitution, the Charter of the City and this Ordinance for the purpose of the Project. The Notes may be issued in one or more series. The City hereby covenants and pledges, subject and pursuant to the Constitution and laws of the State of Ohio, to appropriate from the Revenues (a) amounts sufficient to pay principal and interest due on the Notes. The City hereby covenants and agrees that, so long as the Notes are outstanding, the City shall not attempt to create or otherwise permit a pledge or any other lien on the Revenues that is senior to or on a parity with the pledge of the Revenues contained in this Ordinance to pay the principal of and interest on the Notes; provided, however, that this provision shall not be read to limit the City's ability to issue general obligation debt for any municipal purpose. The City hereby covenants and agrees that, so long as the Notes are outstanding, it shall not suffer the repeal, amendment or any other change in this Ordinance or in the City's income tax ordinances that in any way materially and adversely affects or impairs (i) the sufficiency of the Revenues levied and collected or otherwise available for the payment of the Notes or (ii) the pledge or the application of the Revenues to the payment of the Notes.

The Notes shall be special obligations of the City, and the principal of and interest and any premium on the Notes shall be payable solely from the Revenues, and such payment shall be secured by a pledge of the Revenues as provided in this Ordinance.

The Notes shall be special obligation income tax revenue notes payable solely from the Revenues and shall be secured equally and ratably (i) by a pledge of the Revenues; provided, however, that any lien on or pledge of any fund, account, revenues or money shall be valid and enforceable only to the extent permitted by law. Nothing in this Ordinance or the Notes shall constitute a general obligation, debt or bonded indebtedness of the City; neither the general resources of the City shall be required to be used, nor the general credit of the City pledged for the performance of any duty under this Ordinance or the Notes; and further, nothing herein or therein gives the Holders of the Notes, and they do not have, the right to have excises or taxes levied by the City, or by the State or the taxing authority of any other political subdivision, for the payment of principal of, redemption premium, if any, and interest on the Notes, but the Notes are payable solely from the Revenues, and each Note shall contain on the face thereof a statement to that effect; provided, however, that nothing in this Ordinance shall be deemed to prohibit the City, of its own volition, from using to the extent it is lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of this Ordinance and the Notes.

The City hereby covenants and agrees to observe and perform all its agreements and obligations provided for by the Notes and this Ordinance. All of the obligations under this Ordinance are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon the City within the meaning of Section 2731.01 of the Ohio Revised Code.

Section 7. Sale of the Notes. The Notes shall bear interest, based on a 360-day year of twelve 30-day months, payable at maturity, at such rate per annum as shall be determined by the Director of Finance and certified to this Council, provided that such rate shall not exceed 5.00% per annum. The Notes shall be, and hereby are, awarded and sold at private sale to KeyBanc Capital Markets Inc., Cleveland, Ohio (the "Original Purchaser"), at the purchase price set forth in the Certificate of Fiscal Officer.

The Director of Finance is hereby authorized and directed to deliver the Notes, when executed, to the Original Purchaser upon payment of the purchase price and accrued interest, if any, to the date of delivery. The proceeds of such sale, except any accrued interest or premium thereon, shall be deposited in the Treasury of the City and used for the purpose aforesaid and for no other purpose.

Any accrued interest received from the sale of the Notes shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on the Notes, or other obligations of the City as permitted by law.

Section 8. Form and Execution of Notes; Payment of Notes. The Notes shall be executed by the Director of Finance and the Mayor, provided that any and all of such signatures may be a facsimile, shall be designated "City of Lakewood, Ohio Sidewalk Improvement Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance, and shall be payable as to both principal and interest at the office of Note Registrar (as defined hereinbelow). The Notes shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance.

The principal of and interest on the Notes shall be payable in lawful money of the United States of America without deduction for the services of the Note Registrar. The principal of and interest on the Notes shall be payable upon presentation and surrender of the Notes at their maturity at the office of the Note Registrar. No Note shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Note, is signed by the Note Registrar as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the Note so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Note Registrar or by such other person acting as an agent of the Note Registrar as shall be approved by the Director of Finance on behalf of the City. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Notes.

Section 9. Appointment of Note Registrar. The Director of Finance is authorized and directed to execute on behalf of the City a Note Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Director of Finance and the Original Purchaser, pursuant to which such bank or financial institution shall agree to serve as authenticating agent, note registrar, transfer agent, and paying agent (the "Note Registrar") for the Notes. Interest shall be payable at maturity by check or draft mailed to the Registered Owner hereof, as shown on the registration books of the City maintained by the Note Registrar. If at any time the Note Registrar shall be unable or unwilling to serve as such, or the Director of Finance in such officer's discretion shall determine that it would be in the best interest of the City for such functions to be performed by another party, the Director of Finance may, and is hereby authorized and directed to, enter into an agreement with a national banking association or other appropriate financial institution experienced in providing such services, to perform the services required of the Note Registrar hereunder. Each such successor Note Registrar shall promptly advise all

noteholders of the change in identity and new address of the Note Registrar. So long as any of the Notes remain outstanding, the City shall cause to be maintained and kept by the Note Registrar, at the office of the Note Registrar, all books and records necessary for the registration, exchange and transfer of Notes as provided in this section (the "Note Register"). Subject to the provisions of this Ordinance, the person in whose name any Note shall be registered on the Note Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Note shall be made only to or upon the order of that person. Neither the City nor the Note Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Notes, including the interest thereon, to the extent of the amount or amounts so paid.

Any Notes, upon presentation and surrender at the office of the Note Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar, may be exchanged for Notes of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

A Note may be transferred only on the Note Register upon presentation and surrender thereof at the office of the Note Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar. Upon that transfer, the Note Registrar shall complete, authenticate and deliver a new Note or Notes of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Note Registrar shall not be required to transfer or exchange (i) any Note during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Notes, and ending at the close of business on the day of such mailing, or (ii) any Notes selected for redemption, in whole or in part, following the date of such mailing.

In all cases in which Notes are exchanged or transferred hereunder, the City shall cause to be executed, and the Note Registrar shall authenticate and deliver, the Notes in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the Council and Note Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Council or the Note Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Notes. All Notes issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Notes surrendered upon that transfer or exchange.

Section 10. Book-entry System. For purposes of this Ordinance, the following terms shall have the following meanings:

"Book-entry form" or "book-entry system" means a form or system under which (i) the beneficial right to payment of principal of and interest on the Notes may be transferred only through a book-entry system and (ii) physical Notes in fully registered form are issued only to a Depository or its nominee as registered owner, with the Notes "immobilized" to the custody of the Depository, and the book-entry is the record that identifies the owners of beneficial interests in those Notes.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book-entry system to record beneficial

ownership of notes and to effect transfers of notes, in book-entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

The Notes may initially be issued to a Depository for use in a book-entry system, and the provisions of this Section shall apply, notwithstanding any other provision of this Ordinance: (i) there shall be a single Note of each maturity, (ii) those Notes shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book-entry form shall have no right to receive Notes in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Notes in book-entry form shall be shown by book-entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book-entry; and (v) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City. Note service charges on Notes in book-entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative upon presentation and surrender of Notes as provided in this Ordinance.

The Note Registrar may, with the approval of the City, enter into an agreement with the beneficial owner or registered owner of any Note in the custody of a Depository providing for making all payments to that owner of principal and interest on that Note or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided in this Ordinance, without prior presentation or surrender of the Note, upon any conditions which shall be satisfactory to the Note Registrar and to the City. That payment in any event shall be made to the person who is the registered owner of that Note on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Note Registrar will furnish a copy of each of those agreements, certified to be correct by the Note Registrar, to other paying agents for Notes and to the City. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

If requested, the Mayor, Director of Finance, Clerk of Council, or any other officer of this Council, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, the letter agreement among the City, the paying agent for the Notes and The Depository Trust Company, as Depository, to be delivered in connection with the issuance of the Notes to the Depository for use in a book-entry system in substantially the form submitted to this Council.

The City may decide to discontinue use of the book-entry system through the Depository. In that event, Note certificates will be printed and delivered to the Depository.

If any Depository determines not to continue to act as a depository for the Notes for use in a book-entry system, the City and the Note Registrar may attempt to establish a securities depository/book-entry relationship with another qualified Depository under this Ordinance. If the City and the Note Registrar do not or are unable to do so, the City and the Note Registrar, after the Note Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the Notes from the Depository and authenticate and deliver bond certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing and delivering definitive Notes), if the event is not the result of action or inaction by the City or the Note Registrar, of those persons requesting such issuance.

Section 11. The Director of Finance is hereby directed to create the following funds and accounts into which the proceeds of the Notes and all Revenues shall be deposited, which shall be

established and maintained, except as otherwise provided, so long as any Note hereby authorized remains unpaid.

- (a) the Construction Fund designated the "City of Lakewood, Ohio Sidewalk Improvement Series 2018 Construction Fund" (the "Construction Fund");
- (b) the Bond Fund, designated the "City of Lakewood, Ohio Sidewalk Improvement Series 2018 Bond Fund" (the "Bond Fund"); and
- (c) the Issuance Expense Fund designated the "City of Lakewood, Ohio Sidewalk Improvement Series 2018 Issuance Expense Fund" ("Issuance Expense Fund").

Proceeds from the sale of the Notes shall be deposited into the Construction Fund, the Bond Fund and Issuance Expense Fund as described in the Certificate of Fiscal Officer.

Section 12. Federal Tax Law Compliance. The City hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Notes is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Notes so that the Notes will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The City further covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Director of Finance, or any other officer of the City, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the City with respect to the Notes as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Director of Finance, which action shall be in writing and signed by the Director of Finance, or any other officer of the City, including the Mayor, on behalf of the City; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes; and (c) to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the City pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the City regarding compliance by the City with sections 141 through 150 of the Code and the Regulations.

The Director of Finance shall keep and maintain adequate records pertaining to investment of all proceeds of the Notes sufficient to permit, to the maximum extent possible and presently foreseeable, the City to comply with any federal law or regulation now or hereafter having applicability to the Notes which limits the amount of Note proceeds which may be invested on an unrestricted yield or requires the City to rebate arbitrage profits to the United States Department of the Treasury. The Director of Finance is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Notes requires any such reports or rebates.

Section 13. Appointment of Bond Counsel. The Director of Finance, on behalf of this Council, is hereby authorized to appoint the law firm of Bricker & Eckler LLP to serve as bond counsel for the Notes. The fees to be paid to such firm shall be subject to review and approval of the Director of Finance, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from proceeds of the Notes.

Section 14. Transcript of Proceedings; Execution of Additional Documents. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Notes and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the City to issue the Notes and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Clerk of Council and a no-litigation certificate of the Mayor and the Director of Finance, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

The Director of Finance is hereby authorized and directed to take such action and to execute and deliver, on behalf of this Council, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Ordinance. Such documents shall be in the form not substantially inconsistent with the terms of this Ordinance, as they in their discretion shall deem necessary or appropriate.

Section 15. Satisfaction of Conditions for Note Issuance. It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Notes in order to make them legal, valid and binding obligations of the City have happened, been done and been performed in regular and due form as required by law; that the Revenues are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing the Notes.

Section 16. Compliance with Open Meeting Requirements. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 17. Emergency Measure. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments, and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Notes to enable the City to combine the Notes with other notes to be issued by the City into a consolidated note issue and obtain savings in the issuance of the Notes; and provided it receives the affirmative vote of at least two thirds of the members of this Council, this Ordinance shall take effect and be in force at the earliest date possible as set forth in Section 2.12 of the Charter.

Passed: _____, 2018

President of Council

Clerk of Council

Approved: _____, 2018

Mayor

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. ____ duly adopted by the Council of the City of Lakewood, Ohio on _____, 2018.

Clerk of Council
City of Lakewood, Ohio

ORDINANCE NO. _____

By: _____

AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION INCOME TAX REVENUE NOTES IN THE AMOUNT OF NOT TO EXCEED \$1,325,000 IN ANTICIPATION OF THE ISSUANCE OF BONDS; TO PAY COSTS OF IMPROVING LAKE AVENUE AND OTHER STREETS LOCATED WITHIN THE CITY, BETWEEN CERTAIN TERMINI, BY RESURFACING AND REPLACING CONCRETE, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO; PROVIDING FOR THE PLEDGE OF REVENUES FROM THE CITY'S 1.50% INCOME TAX TO SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTES IN ANTICIPATION OF BONDS; AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY

WHEREAS, the City of Lakewood (the "City") levies an income tax at a rate of 1.50% pursuant to Section 128 of the Codified Ordinances of the City (the "Income Tax") to provide funds for general municipal functions of the City;

WHEREAS, pursuant to Article XVIII, Section 3 of the Ohio Constitution, the City is authorized to issue special obligation revenue bonds and bond anticipation notes supported by the Income Tax and in anticipation of the receipt of revenues of the Income Tax (the "Revenues") to provide funds for municipal purposes;

WHEREAS, this Council desires to issue special obligation income tax revenue bond anticipation notes in an aggregate principal amount not to exceed \$1,325,000 (the "Notes") to finance the costs of the improvement stated in the title of this ordinance (the "Project");

WHEREAS, the Notes shall be payable solely from and secured by the Revenues of the City;

WHEREAS, this Council by a vote of at least two thirds of its members determines that this Ordinance is an emergency measure, and that this Ordinance shall take effect at the earliest date possible as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood (the "Charter"), and that it is necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments and further to allow the City to issue the notes with other notes to be issued by the City into a consolidated issue and obtain savings in the issuance of the notes. Now Therefore

BE IT ORDAINED by the City of Lakewood, Ohio, that:

Section 1. Issuance of Bonds. It is hereby declared necessary to issue revenue bonds of the City, in anticipation of the levy of the Income Tax and receipt of the Revenues, in the principal sum of not to exceed \$1,325,000 (the "Bonds"), for the purpose of paying the cost of the Project.

Section 2. Terms of the Bonds. The Bonds shall be dated prior to the maturity date of the Notes, shall bear interest at the maximum average annual interest rate presently estimated to be 4.50% per annum, payable semiannually until the principal sum is paid, and shall mature in 15 annual installments.

Section 3. Issuance of Bond Anticipation Notes. It is necessary to issue, and this Council hereby determines that there shall be issued, notes in anticipation of the issuance of the Bonds.

Section 4. Combining Notes for Purposes of Issuance and Sale. It is hereby determined, that for the purposes of issuance and sale, it may be in the best interest of the City to combine the Notes with other income tax revenue notes of the City authorized by separate ordinances of this Council. The Notes

and such other notes shall be jointly referred to herein as the "Combined Notes." As used in this Ordinance, the term "Notes" shall also mean the Combined Notes, where appropriate. The Combined Notes shall be designated "City of Lakewood, Ohio Various Purpose Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance of the City (the "Director of Finance").

Section 5. Terms of the Notes; Certificate of Fiscal Officer Relating to Terms of Notes. The Notes shall be in the amount of not to exceed \$1,325,000, which sum does not exceed the amount of the Bonds. The Notes shall be dated the date established by the Director of Finance and certified to this Council and shall mature on such date as shall be determined by the Director of Finance and certified to this Council, provided that such date shall not be later than one year after the date of issuance of the Notes. The Notes shall be issued as fully registered notes in book-entry form only, in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof and shall be numbered as determined by the Director of Finance. The Notes shall be issued as fully registered notes. Coupons shall not be attached to the Notes. The Notes shall be sold in a transaction exempt from the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission.

The Director of Finance is authorized and directed to execute a Certificate of Fiscal Officer Relating to Terms of Notes (the "Certificate of Fiscal Officer") setting forth the final terms of the Notes, consistent with the requirements of this Ordinance, and to present the same to this Council after closing.

Section 6. Income Tax Pledge; Security for the Notes. The Notes shall be special obligation income tax revenue notes issued pursuant to Article XVIII, Section 3 of the Ohio Constitution, the Charter of the City and this Ordinance for the purpose of the Project. The Notes may be issued in one or more series. The City hereby covenants and pledges, subject and pursuant to the Constitution and laws of the State of Ohio, to appropriate from the Revenues (a) amounts sufficient to pay principal and interest due on the Notes. The City hereby covenants and agrees that, so long as the Notes are outstanding, the City shall not attempt to create or otherwise permit a pledge or any other lien on the Revenues that is senior to or on a parity with the pledge of the Revenues contained in this Ordinance to pay the principal of and interest on the Notes; provided, however, that this provision shall not be read to limit the City's ability to issue general obligation debt for any municipal purpose. The City hereby covenants and agrees that, so long as the Notes are outstanding, it shall not suffer the repeal, amendment or any other change in this Ordinance or in the City's income tax ordinances that in any way materially and adversely affects or impairs (i) the sufficiency of the Revenues levied and collected or otherwise available for the payment of the Notes or (ii) the pledge or the application of the Revenues to the payment of the Notes.

The Notes shall be special obligations of the City, and the principal of and interest and any premium on the Notes shall be payable solely from the Revenues, and such payment shall be secured by a pledge of the Revenues as provided in this Ordinance.

The Notes shall be special obligation income tax revenue notes payable solely from the Revenues and shall be secured equally and ratably (i) by a pledge of the Revenues; provided, however, that any lien on or pledge of any fund, account, revenues or money shall be valid and enforceable only to the extent permitted by law. Nothing in this Ordinance or the Notes shall constitute a general obligation, debt or bonded indebtedness of the City; neither the general resources of the City shall be required to be used, nor the general credit of the City pledged for the performance of any duty under this Ordinance or the Notes; and further, nothing herein or therein gives the Holders of the Notes, and they do not have, the right to have excises or taxes levied by the City, or by the State or the taxing authority of any other political subdivision, for the payment of principal of, redemption premium, if any, and interest on the Notes, but the Notes are payable solely from the Revenues, and each Note shall contain on the face thereof a statement to that effect; provided, however, that nothing in this Ordinance shall be deemed to prohibit the

City, of its own volition, from using to the extent it is lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of this Ordinance and the Notes.

The City hereby covenants and agrees to observe and perform all its agreements and obligations provided for by the Notes and this Ordinance. All of the obligations under this Ordinance are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon the City within the meaning of Section 2731.01 of the Ohio Revised Code.

Section 7. Sale of the Notes. The Notes shall bear interest, based on a 360-day year of twelve 30-day months, payable at maturity, at such rate per annum as shall be determined by the Director of Finance and certified to this Council, provided that such rate shall not exceed 5.00% per annum. The Notes shall be, and hereby are, awarded and sold at private sale to KeyBanc Capital Markets Inc., Cleveland, Ohio (the "Original Purchaser"), at the purchase price set forth in the Certificate of Fiscal Officer.

The Director of Finance is hereby authorized and directed to deliver the Notes, when executed, to the Original Purchaser upon payment of the purchase price and accrued interest, if any, to the date of delivery. The proceeds of such sale, except any accrued interest or premium thereon, shall be deposited in the Treasury of the City and used for the purpose aforesaid and for no other purpose.

Any accrued interest received from the sale of the Notes shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on the Notes, or other obligations of the City as permitted by law.

Section 8. Form and Execution of Notes; Payment of Notes. The Notes shall be executed by the Director of Finance and the Mayor, provided that any and all of such signatures may be a facsimile, shall be designated "City of Lakewood, Ohio Roadway Improvement Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance, and shall be payable as to both principal and interest at the office of Note Registrar (as defined hereinbelow). The Notes shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance.

The principal of and interest on the Notes shall be payable in lawful money of the United States of America without deduction for the services of the Note Registrar. The principal of and interest on the Notes shall be payable upon presentation and surrender of the Notes at their maturity at the office of the Note Registrar. No Note shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Note, is signed by the Note Registrar as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the Note so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Note Registrar or by such other person acting as an agent of the Note Registrar as shall be approved by the Director of Finance on behalf of the City. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Notes.

Section 9. Appointment of Note Registrar. The Director of Finance is authorized and directed to execute on behalf of the City a Note Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Director of Finance and the Original Purchaser, pursuant to which such bank or financial institution shall agree to serve as authenticating agent, note registrar, transfer agent, and paying agent (the "Note Registrar") for the Notes. Interest shall be payable at maturity by check or draft mailed to the Registered Owner hereof, as shown on the registration books of the City maintained by the Note Registrar. If at any time the Note Registrar shall be unable or unwilling to serve as such, or the Director of Finance in such officer's discretion shall determine that it would be in the best interest of the City for such functions to be performed by another party, the Director of Finance may, and is hereby

authorized and directed to, enter into an agreement with a national banking association or other appropriate financial institution experienced in providing such services, to perform the services required of the Note Registrar hereunder. Each such successor Note Registrar shall promptly advise all noteholders of the change in identity and new address of the Note Registrar. So long as any of the Notes remain outstanding, the City shall cause to be maintained and kept by the Note Registrar, at the office of the Note Registrar, all books and records necessary for the registration, exchange and transfer of Notes as provided in this section (the "Note Register"). Subject to the provisions of this Ordinance, the person in whose name any Note shall be registered on the Note Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Note shall be made only to or upon the order of that person. Neither the City nor the Note Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Notes, including the interest thereon, to the extent of the amount or amounts so paid.

Any Notes, upon presentation and surrender at the office of the Note Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar, may be exchanged for Notes of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

A Note may be transferred only on the Note Register upon presentation and surrender thereof at the office of the Note Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar. Upon that transfer, the Note Registrar shall complete, authenticate and deliver a new Note or Notes of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Note Registrar shall not be required to transfer or exchange (i) any Note during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Notes, and ending at the close of business on the day of such mailing, or (ii) any Notes selected for redemption, in whole or in part, following the date of such mailing.

In all cases in which Notes are exchanged or transferred hereunder, the City shall cause to be executed, and the Note Registrar shall authenticate and deliver, the Notes in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the Council and Note Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Council or the Note Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Notes. All Notes issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Notes surrendered upon that transfer or exchange.

Section 10. Book-entry System. For purposes of this Ordinance, the following terms shall have the following meanings:

“Book-entry form” or “book-entry system” means a form or system under which (i) the beneficial right to payment of principal of and interest on the Notes may be transferred only through a book-entry system and (ii) physical Notes in fully registered form are issued only to a Depository or its nominee as registered owner, with the Notes “immobilized” to the custody of the Depository, and the book-entry is the record that identifies the owners of beneficial interests in those Notes.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book-entry system to record beneficial ownership of notes and to effect transfers of notes, in book-entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

The Notes may initially be issued to a Depository for use in a book-entry system, and the provisions of this Section shall apply, notwithstanding any other provision of this Ordinance: (i) there shall be a single Note of each maturity, (ii) those Notes shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book-entry form shall have no right to receive Notes in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Notes in book-entry form shall be shown by book-entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book-entry; and (v) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City. Note service charges on Notes in book-entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative upon presentation and surrender of Notes as provided in this Ordinance.

The Note Registrar may, with the approval of the City, enter into an agreement with the beneficial owner or registered owner of any Note in the custody of a Depository providing for making all payments to that owner of principal and interest on that Note or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided in this Ordinance, without prior presentation or surrender of the Note, upon any conditions which shall be satisfactory to the Note Registrar and to the City. That payment in any event shall be made to the person who is the registered owner of that Note on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Note Registrar will furnish a copy of each of those agreements, certified to be correct by the Note Registrar, to other paying agents for Notes and to the City. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

If requested, the Mayor, Director of Finance, Clerk of Council, or any other officer of this Council, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, the letter agreement among the City, the paying agent for the Notes and The Depository Trust Company, as Depository, to be delivered in connection with the issuance of the Notes to the Depository for use in a book-entry system in substantially the form submitted to this Council.

The City may decide to discontinue use of the book-entry system through the Depository. In that event, Note certificates will be printed and delivered to the Depository.

If any Depository determines not to continue to act as a depository for the Notes for use in a book-entry system, the City and the Note Registrar may attempt to establish a securities depository/book-entry relationship with another qualified Depository under this Ordinance. If the City and the Note Registrar do not or are unable to do so, the City and the Note Registrar, after the Note Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the

Notes from the Depository and authenticate and deliver bond certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing and delivering definitive Notes), if the event is not the result of action or inaction by the City or the Note Registrar, of those persons requesting such issuance.

Section 11. The Director of Finance is hereby directed to create the following funds and accounts into which the proceeds of the Notes and all Revenues shall be deposited, which shall be established and maintained, except as otherwise provided, so long as any Note hereby authorized remains unpaid.

- (a) the Construction Fund designated the "City of Lakewood, Ohio Roadway Improvement Series 2018 Construction Fund" (the "Construction Fund");
- (b) the Bond Fund, designated the "City of Lakewood, Ohio Roadway Improvement Series 2018 Bond Fund" (the "Bond Fund"); and
- (c) the Issuance Expense Fund designated the "City of Lakewood, Ohio Roadway Improvement Series 2018 Issuance Expense Fund" ("Issuance Expense Fund").

Proceeds from the sale of the Notes shall be deposited into the Construction Fund, the Bond Fund and Issuance Expense Fund as described in the Certificate of Fiscal Officer.

Section 12. Federal Tax Law Compliance. The City hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Notes is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Notes so that the Notes will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The City further covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Director of Finance, or any other officer of the City, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the City with respect to the Notes as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Director of Finance, which action shall be in writing and signed by the Director of Finance, or any other officer of the City, including the Mayor, on behalf of the City; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes; and (c) to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the City pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the City regarding compliance by the City with sections 141 through 150 of the Code and the Regulations.

The Director of Finance shall keep and maintain adequate records pertaining to investment of all proceeds of the Notes sufficient to permit, to the maximum extent possible and presently foreseeable, the

City to comply with any federal law or regulation now or hereafter having applicability to the Notes which limits the amount of Note proceeds which may be invested on an unrestricted yield or requires the City to rebate arbitrage profits to the United States Department of the Treasury. The Director of Finance is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Notes requires any such reports or rebates.

Section 13. Appointment of Bond Counsel. The Director of Finance, on behalf of this Council, is hereby authorized to appoint the law firm of Bricker & Eckler LLP to serve as bond counsel for the Notes. The fees to be paid to such firm shall be subject to review and approval of the Director of Finance, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from proceeds of the Notes.

Section 14. Transcript of Proceedings; Execution of Additional Documents. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Notes and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the City to issue the Notes and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Clerk of Council and a no-litigation certificate of the Mayor and the Director of Finance, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

The Director of Finance is hereby authorized and directed to take such action and to execute and deliver, on behalf of this Council, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Ordinance. Such documents shall be in the form not substantially inconsistent with the terms of this Ordinance, as they in their discretion shall deem necessary or appropriate.

Section 15. Satisfaction of Conditions for Note Issuance. It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Notes in order to make them legal, valid and binding obligations of the City have happened, been done and been performed in regular and due form as required by law; that the Revenues are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing the Notes.

Section 16. Compliance with Open Meeting Requirements. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 17. Emergency Measure. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments, and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Notes to enable the City to combine the Notes with other notes to be issued by the City into a consolidated note issue and obtain savings in the issuance of the Notes; and provided it receives the affirmative vote of at least two thirds of the members of this Council, this Ordinance shall take effect and be in force at the earliest date possible as set forth in Section 2.12 of the Charter.

Passed: _____, 2018

President of Council

Clerk of Council

Approved: _____, 2018

Mayor

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. ____ duly adopted by the Council of the City of Lakewood, Ohio on _____, 2018.

Clerk of Council
City of Lakewood, Ohio

ORDINANCE NO. _____

By: _____

AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION INCOME TAX REVENUE NOTES IN THE AMOUNT OF NOT TO EXCEED \$2,315,500 IN ANTICIPATION OF THE ISSUANCE OF BONDS; TO PAY COSTS OF DESIGNING, ENGINEERING AND CONSTRUCTING WATER IMPROVEMENTS, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO; PROVIDING FOR THE PLEDGE OF REVENUES FROM THE CITY'S 1.50% INCOME TAX TO SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTES IN ANTICIPATION OF BONDS; AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY

WHEREAS, the City of Lakewood (the "City") levies an income tax at a rate of 1.50% pursuant to Section 128 of the Codified Ordinances of the City (the "Income Tax") to provide funds for general municipal functions of the City;

WHEREAS, pursuant to Article XVIII, Section 3 of the Ohio Constitution, the City is authorized to issue special obligation revenue bonds and bond anticipation notes supported by the Income Tax and in anticipation of the receipt of revenues of the Income Tax (the "Revenues") to provide funds for municipal purposes;

WHEREAS, this Council desires to issue special obligation income tax revenue bond anticipation notes in an aggregate principal amount not to exceed \$2,315,500 (the "Notes") to finance the costs of the improvement stated in the title of this ordinance (the "Project");

WHEREAS, the Notes shall be payable solely from and secured by the Revenues of the City;

WHEREAS, this Council by a vote of at least two thirds of its members determines that this Ordinance is an emergency measure, and that this Ordinance shall take effect at the earliest date possible as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood (the "Charter"), and that it is necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments and further to allow the City to issue the notes with other notes to be issued by the City into a consolidated issue and obtain savings in the issuance of the notes. Now Therefore

BE IT ORDAINED by the City of Lakewood, Ohio, that:

Section 1. Issuance of Bonds. It is hereby declared necessary to issue revenue bonds of the City, in anticipation of the levy of the Income Tax and receipt of the Revenues, in the principal sum of not to exceed \$2,315,500 (the "Bonds"), for the purpose of paying the cost of the Project.

Section 2. Terms of the Bonds. The Bonds shall be dated prior to the maturity date of the Notes, shall bear interest at the maximum average annual interest rate presently estimated to be 4.50% per annum, payable semiannually until the principal sum is paid, and shall mature in 34 annual installments.

Section 3. Issuance of Bond Anticipation Notes. It is necessary to issue, and this Council hereby determines that there shall be issued, notes in anticipation of the issuance of the Bonds.

Section 4. Combining Notes for Purposes of Issuance and Sale. It is hereby determined, that for the purposes of issuance and sale, it may be in the best interest of the City to combine the Notes with other income tax revenue notes of the City authorized by separate ordinances of this Council. The Notes

and such other notes shall be jointly referred to herein as the "Combined Notes." As used in this Ordinance, the term "Notes" shall also mean the Combined Notes, where appropriate. The Combined Notes shall be designated "City of Lakewood, Ohio Various Purpose Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance of the City (the "Director of Finance").

Section 5. Terms of the Notes; Certificate of Fiscal Officer Relating to Terms of Notes. The Notes shall be in the amount of not to exceed \$2,315,500, which sum does not exceed the amount of the Bonds. The Notes shall be dated the date established by the Director of Finance and certified to this Council and shall mature on such date as shall be determined by the Director of Finance and certified to this Council, provided that such date shall not be later than one year after the date of issuance of the Notes. The Notes shall be issued as fully registered notes in book-entry form only, in denominations of \$100,000 or any integral multiple of \$500 in excess thereof and shall be numbered as determined by the Director of Finance. The Notes shall be issued as fully registered notes. Coupons shall not be attached to the Notes. The Notes shall be sold in a transaction exempt from the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission.

The Director of Finance is authorized and directed to execute a Certificate of Fiscal Officer Relating to Terms of Notes (the "Certificate of Fiscal Officer") setting forth the final terms of the Notes, consistent with the requirements of this Ordinance, and to present the same to this Council after closing.

Section 6. Income Tax Pledge; Security for the Notes. The Notes shall be special obligation income tax revenue notes issued pursuant to Article XVIII, Section 3 of the Ohio Constitution, the Charter of the City and this Ordinance for the purpose of the Project. The Notes may be issued in one or more series. The City hereby covenants and pledges, subject and pursuant to the Constitution and laws of the State of Ohio, to appropriate from the Revenues (a) amounts sufficient to pay principal and interest due on the Notes. The City hereby covenants and agrees that, so long as the Notes are outstanding, the City shall not attempt to create or otherwise permit a pledge or any other lien on the Revenues that is senior to or on a parity with the pledge of the Revenues contained in this Ordinance to pay the principal of and interest on the Notes; provided, however, that this provision shall not be read to limit the City's ability to issue general obligation debt for any municipal purpose. The City hereby covenants and agrees that, so long as the Notes are outstanding, it shall not suffer the repeal, amendment or any other change in this Ordinance or in the City's income tax ordinances that in any way materially and adversely affects or impairs (i) the sufficiency of the Revenues levied and collected or otherwise available for the payment of the Notes or (ii) the pledge or the application of the Revenues to the payment of the Notes.

The Notes shall be special obligations of the City, and the principal of and interest and any premium on the Notes shall be payable solely from the Revenues, and such payment shall be secured by a pledge of the Revenues as provided in this Ordinance.

The Notes shall be special obligation income tax revenue notes payable solely from the Revenues and shall be secured equally and ratably (i) by a pledge of the Revenues; provided, however, that any lien on or pledge of any fund, account, revenues or money shall be valid and enforceable only to the extent permitted by law. Nothing in this Ordinance or the Notes shall constitute a general obligation, debt or bonded indebtedness of the City; neither the general resources of the City shall be required to be used, nor the general credit of the City pledged for the performance of any duty under this Ordinance or the Notes; and further, nothing herein or therein gives the Holders of the Notes, and they do not have, the right to have excises or taxes levied by the City, or by the State or the taxing authority of any other political subdivision, for the payment of principal of, redemption premium, if any, and interest on the Notes, but the Notes are payable solely from the Revenues, and each Note shall contain on the face thereof a statement to that effect; provided, however, that nothing in this Ordinance shall be deemed to prohibit the

City, of its own volition, from using to the extent it is lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of this Ordinance and the Notes.

The City hereby covenants and agrees to observe and perform all its agreements and obligations provided for by the Notes and this Ordinance. All of the obligations under this Ordinance are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon the City within the meaning of Section 2731.01 of the Ohio Revised Code.

Section 7. Sale of the Notes. The Notes shall bear interest, based on a 360-day year of twelve 30-day months, payable at maturity, at such rate per annum as shall be determined by the Director of Finance and certified to this Council, provided that such rate shall not exceed 5.00% per annum. The Notes shall be, and hereby are, awarded and sold at private sale to KeyBanc Capital Markets Inc., Cleveland, Ohio (the "Original Purchaser"), at the purchase price set forth in the Certificate of Fiscal Officer.

The Director of Finance is hereby authorized and directed to deliver the Notes, when executed, to the Original Purchaser upon payment of the purchase price and accrued interest, if any, to the date of delivery. The proceeds of such sale, except any accrued interest or premium thereon, shall be deposited in the Treasury of the City and used for the purpose aforesaid and for no other purpose.

Any accrued interest received from the sale of the Notes shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on the Notes, or other obligations of the City as permitted by law.

Section 8. Form and Execution of Notes; Payment of Notes. The Notes shall be executed by the Director of Finance and the Mayor, provided that any and all of such signatures may be a facsimile, shall be designated "City of Lakewood, Ohio Water Improvement Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance, and shall be payable as to both principal and interest at the office of Note Registrar (as defined hereinbelow). The Notes shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance.

The principal of and interest on the Notes shall be payable in lawful money of the United States of America without deduction for the services of the Note Registrar. The principal of and interest on the Notes shall be payable upon presentation and surrender of the Notes at their maturity at the office of the Note Registrar. No Note shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Note, is signed by the Note Registrar as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the Note so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Note Registrar or by such other person acting as an agent of the Note Registrar as shall be approved by the Director of Finance on behalf of the City. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Notes.

Section 9. Appointment of Note Registrar. The Director of Finance is authorized and directed to execute on behalf of the City a Note Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Director of Finance and the Original Purchaser, pursuant to which such bank or financial institution shall agree to serve as authenticating agent, note registrar, transfer agent, and paying agent (the "Note Registrar") for the Notes. Interest shall be payable at maturity by check or draft mailed to the Registered Owner hereof, as shown on the registration books of the City maintained by the Note Registrar. If at any time the Note Registrar shall be unable or unwilling to serve as such, or the Director of Finance in such officer's discretion shall determine that it would be in the best interest of the City for such functions to be performed by another party, the Director of Finance may, and is hereby

authorized and directed to, enter into an agreement with a national banking association or other appropriate financial institution experienced in providing such services, to perform the services required of the Note Registrar hereunder. Each such successor Note Registrar shall promptly advise all noteholders of the change in identity and new address of the Note Registrar. So long as any of the Notes remain outstanding, the City shall cause to be maintained and kept by the Note Registrar, at the office of the Note Registrar, all books and records necessary for the registration, exchange and transfer of Notes as provided in this section (the "Note Register"). Subject to the provisions of this Ordinance, the person in whose name any Note shall be registered on the Note Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Note shall be made only to or upon the order of that person. Neither the City nor the Note Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Notes, including the interest thereon, to the extent of the amount or amounts so paid.

Any Notes, upon presentation and surrender at the office of the Note Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar, may be exchanged for Notes of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

A Note may be transferred only on the Note Register upon presentation and surrender thereof at the office of the Note Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar. Upon that transfer, the Note Registrar shall complete, authenticate and deliver a new Note or Notes of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Note Registrar shall not be required to transfer or exchange (i) any Note during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Notes, and ending at the close of business on the day of such mailing, or (ii) any Notes selected for redemption, in whole or in part, following the date of such mailing.

In all cases in which Notes are exchanged or transferred hereunder, the City shall cause to be executed, and the Note Registrar shall authenticate and deliver, the Notes in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the Council and Note Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Council or the Note Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Notes. All Notes issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Notes surrendered upon that transfer or exchange.

Section 10. Book-entry System. For purposes of this Ordinance, the following terms shall have the following meanings:

“Book-entry form” or “book-entry system” means a form or system under which (i) the beneficial right to payment of principal of and interest on the Notes may be transferred only through a book-entry system and (ii) physical Notes in fully registered form are issued only to a Depository or its nominee as registered owner, with the Notes “immobilized” to the custody of the Depository, and the book-entry is the record that identifies the owners of beneficial interests in those Notes.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book-entry system to record beneficial ownership of notes and to effect transfers of notes, in book-entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

The Notes may initially be issued to a Depository for use in a book-entry system, and the provisions of this Section shall apply, notwithstanding any other provision of this Ordinance: (i) there shall be a single Note of each maturity, (ii) those Notes shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book-entry form shall have no right to receive Notes in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Notes in book-entry form shall be shown by book-entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book-entry; and (v) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City. Note service charges on Notes in book-entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative upon presentation and surrender of Notes as provided in this Ordinance.

The Note Registrar may, with the approval of the City, enter into an agreement with the beneficial owner or registered owner of any Note in the custody of a Depository providing for making all payments to that owner of principal and interest on that Note or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided in this Ordinance, without prior presentation or surrender of the Note, upon any conditions which shall be satisfactory to the Note Registrar and to the City. That payment in any event shall be made to the person who is the registered owner of that Note on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Note Registrar will furnish a copy of each of those agreements, certified to be correct by the Note Registrar, to other paying agents for Notes and to the City. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

If requested, the Mayor, Director of Finance, Clerk of Council, or any other officer of this Council, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, the letter agreement among the City, the paying agent for the Notes and The Depository Trust Company, as Depository, to be delivered in connection with the issuance of the Notes to the Depository for use in a book-entry system in substantially the form submitted to this Council.

The City may decide to discontinue use of the book-entry system through the Depository. In that event, Note certificates will be printed and delivered to the Depository.

If any Depository determines not to continue to act as a depository for the Notes for use in a book-entry system, the City and the Note Registrar may attempt to establish a securities depository/book-entry relationship with another qualified Depository under this Ordinance. If the City and the Note Registrar do not or are unable to do so, the City and the Note Registrar, after the Note Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the

Notes from the Depository and authenticate and deliver bond certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing and delivering definitive Notes), if the event is not the result of action or inaction by the City or the Note Registrar, of those persons requesting such issuance.

Section 11. The Director of Finance is hereby directed to create the following funds and accounts into which the proceeds of the Notes and all Revenues shall be deposited, which shall be established and maintained, except as otherwise provided, so long as any Note hereby authorized remains unpaid.

- (a) the Construction Fund designated the "City of Lakewood, Ohio Water Improvement Series 2018 Construction Fund" (the "Construction Fund");
- (b) the Bond Fund, designated the "City of Lakewood, Ohio Water Improvement Series 2018 Bond Fund" (the "Bond Fund"); and
- (c) the Issuance Expense Fund designated the "City of Lakewood, Ohio Water Improvement Series 2018 Issuance Expense Fund" ("Issuance Expense Fund").

Proceeds from the sale of the Notes shall be deposited into the Construction Fund, the Bond Fund and Issuance Expense Fund as described in the Certificate of Fiscal Officer.

Section 12. Federal Tax Law Compliance. The City hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Notes is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Notes so that the Notes will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The City further covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Director of Finance, or any other officer of the City, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the City with respect to the Notes as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Director of Finance, which action shall be in writing and signed by the Director of Finance, or any other officer of the City, including the Mayor, on behalf of the City; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes; and (c) to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the City pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the City regarding compliance by the City with sections 141 through 150 of the Code and the Regulations.

The Director of Finance shall keep and maintain adequate records pertaining to investment of all proceeds of the Notes sufficient to permit, to the maximum extent possible and presently foreseeable, the

City to comply with any federal law or regulation now or hereafter having applicability to the Notes which limits the amount of Note proceeds which may be invested on an unrestricted yield or requires the City to rebate arbitrage profits to the United States Department of the Treasury. The Director of Finance is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Notes requires any such reports or rebates.

Section 13. Appointment of Bond Counsel. The Director of Finance, on behalf of this Council, is hereby authorized to appoint the law firm of Bricker & Eckler LLP to serve as bond counsel for the Notes. The fees to be paid to such firm shall be subject to review and approval of the Director of Finance, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from proceeds of the Notes.

Section 14. Transcript of Proceedings; Execution of Additional Documents. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Notes and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the City to issue the Notes and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Clerk of Council and a no-litigation certificate of the Mayor and the Director of Finance, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

The Director of Finance is hereby authorized and directed to take such action and to execute and deliver, on behalf of this Council, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Ordinance. Such documents shall be in the form not substantially inconsistent with the terms of this Ordinance, as they in their discretion shall deem necessary or appropriate.

Section 15. Satisfaction of Conditions for Note Issuance. It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Notes in order to make them legal, valid and binding obligations of the City have happened, been done and been performed in regular and due form as required by law; that the Revenues are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing the Notes.

Section 16. Compliance with Open Meeting Requirements. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 17. Emergency Measure. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments, and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Notes to enable the City to combine the Notes with other notes to be issued by the City into a consolidated note issue and obtain savings in the issuance of the Notes; and provided it receives the affirmative vote of at least two thirds of the members of this Council, this Ordinance shall take effect and be in force at the earliest date possible as set forth in Section 2.12 of the Charter.

Passed: _____, 2018

President of Council

Clerk of Council

Approved: _____, 2018

Mayor

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. ____ duly adopted by the Council of the City of Lakewood, Ohio on _____, 2018.

Clerk of Council
City of Lakewood, Ohio

ORDINANCE NO. _____

By: _____

AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION INCOME TAX REVENUE NOTES IN THE AMOUNT OF NOT TO EXCEED \$2,375,000 IN ANTICIPATION OF THE ISSUANCE OF BONDS; TO PAY COSTS OF DESIGNING, PERMITTING, ENGINEERING AND CONSTRUCTING SEWER IMPROVEMENTS, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO; PROVIDING FOR THE PLEDGE OF REVENUES FROM THE CITY'S 1.50% INCOME TAX TO SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTES IN ANTICIPATION OF BONDS; AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY

WHEREAS, the City of Lakewood (the "City") levies an income tax at a rate of 1.50% pursuant to Section 128 of the Codified Ordinances of the City (the "Income Tax") to provide funds for general municipal functions of the City;

WHEREAS, pursuant to Article XVIII, Section 3 of the Ohio Constitution, the City is authorized to issue special obligation revenue bonds and bond anticipation notes supported by the Income Tax and in anticipation of the receipt of revenues of the Income Tax (the "Revenues") to provide funds for municipal purposes;

WHEREAS, this Council desires to issue special obligation income tax revenue bond anticipation notes in an aggregate principal amount not to exceed \$2,375,000 (the "Notes") to finance the costs of the improvement stated in the title of this ordinance (the "Project");

WHEREAS, the Notes shall be payable solely from and secured by the Revenues of the City;

WHEREAS, this Council by a vote of at least two thirds of its members determines that this Ordinance is an emergency measure, and that this Ordinance shall take effect at the earliest date possible as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood (the "Charter"), and that it is necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments and further to allow the City to issue the notes with other notes to be issued by the City into a consolidated issue and obtain savings in the issuance of the notes. Now Therefore

BE IT ORDAINED by the City of Lakewood, Ohio, that:

Section 1. Issuance of Bonds. It is hereby declared necessary to issue revenue bonds of the City, in anticipation of the levy of the Income Tax and receipt of the Revenues, in the principal sum of not to exceed \$2,375,000 (the "Bonds"), for the purpose of paying the cost of the Project.

Section 2. Terms of the Bonds. The Bonds shall be dated prior to the maturity date of the Notes, shall bear interest at the maximum average annual interest rate presently estimated to be 4.50% per annum, payable semiannually until the principal sum is paid, and shall mature in 40 annual installments.

Section 3. Issuance of Bond Anticipation Notes. It is necessary to issue, and this Council hereby determines that there shall be issued, notes in anticipation of the issuance of the Bonds.

Section 4. Combining Notes for Purposes of Issuance and Sale. It is hereby determined, that for the purposes of issuance and sale, it may be in the best interest of the City to combine the Notes with other income tax revenue notes of the City authorized by separate ordinances of this Council. The Notes

and such other notes shall be jointly referred to herein as the "Combined Notes." As used in this Ordinance, the term "Notes" shall also mean the Combined Notes, where appropriate. The Combined Notes shall be designated "City of Lakewood, Ohio Various Purpose Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance of the City (the "Director of Finance").

Section 5. Terms of the Notes; Certificate of Fiscal Officer Relating to Terms of Notes. The Notes shall be in the amount of not to exceed \$2,375,000, which sum does not exceed the amount of the Bonds. The Notes shall be dated the date established by the Director of Finance and certified to this Council and shall mature on such date as shall be determined by the Director of Finance and certified to this Council, provided that such date shall not be later than one year after the date of issuance of the Notes. The Notes shall be issued as fully registered notes in book-entry form only, in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof and shall be numbered as determined by the Director of Finance. The Notes shall be issued as fully registered notes. Coupons shall not be attached to the Notes. The Notes shall be sold in a transaction exempt from the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission.

The Director of Finance is authorized and directed to execute a Certificate of Fiscal Officer Relating to Terms of Notes (the "Certificate of Fiscal Officer") setting forth the final terms of the Notes, consistent with the requirements of this Ordinance, and to present the same to this Council after closing.

Section 6. Income Tax Pledge; Security for the Notes. The Notes shall be special obligation income tax revenue notes issued pursuant to Article XVIII, Section 3 of the Ohio Constitution, the Charter of the City and this Ordinance for the purpose of the Project. The Notes may be issued in one or more series. The City hereby covenants and pledges, subject and pursuant to the Constitution and laws of the State of Ohio, to appropriate from the Revenues (a) amounts sufficient to pay principal and interest due on the Notes. The City hereby covenants and agrees that, so long as the Notes are outstanding, the City shall not attempt to create or otherwise permit a pledge or any other lien on the Revenues that is senior to or on a parity with the pledge of the Revenues contained in this Ordinance to pay the principal of and interest on the Notes; provided, however, that this provision shall not be read to limit the City's ability to issue general obligation debt for any municipal purpose. The City hereby covenants and agrees that, so long as the Notes are outstanding, it shall not suffer the repeal, amendment or any other change in this Ordinance or in the City's income tax ordinances that in any way materially and adversely affects or impairs (i) the sufficiency of the Revenues levied and collected or otherwise available for the payment of the Notes or (ii) the pledge or the application of the Revenues to the payment of the Notes.

The Notes shall be special obligations of the City, and the principal of and interest and any premium on the Notes shall be payable solely from the Revenues, and such payment shall be secured by a pledge of the Revenues as provided in this Ordinance.

The Notes shall be special obligation income tax revenue notes payable solely from the Revenues and shall be secured equally and ratably (i) by a pledge of the Revenues; provided, however, that any lien on or pledge of any fund, account, revenues or money shall be valid and enforceable only to the extent permitted by law. Nothing in this Ordinance or the Notes shall constitute a general obligation, debt or bonded indebtedness of the City; neither the general resources of the City shall be required to be used, nor the general credit of the City pledged for the performance of any duty under this Ordinance or the Notes; and further, nothing herein or therein gives the Holders of the Notes, and they do not have, the right to have excises or taxes levied by the City, or by the State or the taxing authority of any other political subdivision, for the payment of principal of, redemption premium, if any, and interest on the Notes, but the Notes are payable solely from the Revenues, and each Note shall contain on the face thereof a statement to that effect; provided, however, that nothing in this Ordinance shall be deemed to prohibit the

City, of its own volition, from using to the extent it is lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of this Ordinance and the Notes.

The City hereby covenants and agrees to observe and perform all its agreements and obligations provided for by the Notes and this Ordinance. All of the obligations under this Ordinance are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon the City within the meaning of Section 2731.01 of the Ohio Revised Code.

Section 7. Sale of the Notes. The Notes shall bear interest, based on a 360-day year of twelve 30-day months, payable at maturity, at such rate per annum as shall be determined by the Director of Finance and certified to this Council, provided that such rate shall not exceed 5.00% per annum. The Notes shall be, and hereby are, awarded and sold at private sale to KeyBanc Capital Markets Inc., Cleveland, Ohio (the "Original Purchaser"), at the purchase price set forth in the Certificate of Fiscal Officer.

The Director of Finance is hereby authorized and directed to deliver the Notes, when executed, to the Original Purchaser upon payment of the purchase price and accrued interest, if any, to the date of delivery. The proceeds of such sale, except any accrued interest or premium thereon, shall be deposited in the Treasury of the City and used for the purpose aforesaid and for no other purpose.

Any accrued interest received from the sale of the Notes shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on the Notes, or other obligations of the City as permitted by law.

Section 8. Form and Execution of Notes; Payment of Notes. The Notes shall be executed by the Director of Finance and the Mayor, provided that any and all of such signatures may be a facsimile, shall be designated "City of Lakewood, Ohio Sewer Improvement Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance, and shall be payable as to both principal and interest at the office of Note Registrar (as defined hereinbelow). The Notes shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance.

The principal of and interest on the Notes shall be payable in lawful money of the United States of America without deduction for the services of the Note Registrar. The principal of and interest on the Notes shall be payable upon presentation and surrender of the Notes at their maturity at the office of the Note Registrar. No Note shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Note, is signed by the Note Registrar as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the Note so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Note Registrar or by such other person acting as an agent of the Note Registrar as shall be approved by the Director of Finance on behalf of the City. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Notes.

Section 9. Appointment of Note Registrar. The Director of Finance is authorized and directed to execute on behalf of the City a Note Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Director of Finance and the Original Purchaser, pursuant to which such bank or financial institution shall agree to serve as authenticating agent, note registrar, transfer agent, and paying agent (the "Note Registrar") for the Notes. Interest shall be payable at maturity by check or draft mailed to the Registered Owner hereof, as shown on the registration books of the City maintained by the Note Registrar. If at any time the Note Registrar shall be unable or unwilling to serve as such, or the Director of Finance in such officer's discretion shall determine that it would be in the best interest of the City for such functions to be performed by another party, the Director of Finance may, and is hereby

authorized and directed to, enter into an agreement with a national banking association or other appropriate financial institution experienced in providing such services, to perform the services required of the Note Registrar hereunder. Each such successor Note Registrar shall promptly advise all noteholders of the change in identity and new address of the Note Registrar. So long as any of the Notes remain outstanding, the City shall cause to be maintained and kept by the Note Registrar, at the office of the Note Registrar, all books and records necessary for the registration, exchange and transfer of Notes as provided in this section (the "Note Register"). Subject to the provisions of this Ordinance, the person in whose name any Note shall be registered on the Note Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Note shall be made only to or upon the order of that person. Neither the City nor the Note Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Notes, including the interest thereon, to the extent of the amount or amounts so paid.

Any Notes, upon presentation and surrender at the office of the Note Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar, may be exchanged for Notes of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

A Note may be transferred only on the Note Register upon presentation and surrender thereof at the office of the Note Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar. Upon that transfer, the Note Registrar shall complete, authenticate and deliver a new Note or Notes of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Note Registrar shall not be required to transfer or exchange (i) any Note during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Notes, and ending at the close of business on the day of such mailing, or (ii) any Notes selected for redemption, in whole or in part, following the date of such mailing.

In all cases in which Notes are exchanged or transferred hereunder, the City shall cause to be executed, and the Note Registrar shall authenticate and deliver, the Notes in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the Council and Note Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Council or the Note Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Notes. All Notes issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Notes surrendered upon that transfer or exchange.

Section 10. Book-entry System. For purposes of this Ordinance, the following terms shall have the following meanings:

“Book-entry form” or “book-entry system” means a form or system under which (i) the beneficial right to payment of principal of and interest on the Notes may be transferred only through a book-entry system and (ii) physical Notes in fully registered form are issued only to a Depository or its nominee as registered owner, with the Notes “immobilized” to the custody of the Depository, and the book-entry is the record that identifies the owners of beneficial interests in those Notes.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book-entry system to record beneficial ownership of notes and to effect transfers of notes, in book-entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

The Notes may initially be issued to a Depository for use in a book-entry system, and the provisions of this Section shall apply, notwithstanding any other provision of this Ordinance: (i) there shall be a single Note of each maturity, (ii) those Notes shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book-entry form shall have no right to receive Notes in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Notes in book-entry form shall be shown by book-entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book-entry; and (v) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City. Note service charges on Notes in book-entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative upon presentation and surrender of Notes as provided in this Ordinance.

The Note Registrar may, with the approval of the City, enter into an agreement with the beneficial owner or registered owner of any Note in the custody of a Depository providing for making all payments to that owner of principal and interest on that Note or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided in this Ordinance, without prior presentation or surrender of the Note, upon any conditions which shall be satisfactory to the Note Registrar and to the City. That payment in any event shall be made to the person who is the registered owner of that Note on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Note Registrar will furnish a copy of each of those agreements, certified to be correct by the Note Registrar, to other paying agents for Notes and to the City. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

If requested, the Mayor, Director of Finance, Clerk of Council, or any other officer of this Council, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, the letter agreement among the City, the paying agent for the Notes and The Depository Trust Company, as Depository, to be delivered in connection with the issuance of the Notes to the Depository for use in a book-entry system in substantially the form submitted to this Council.

The City may decide to discontinue use of the book-entry system through the Depository. In that event, Note certificates will be printed and delivered to the Depository.

If any Depository determines not to continue to act as a depository for the Notes for use in a book-entry system, the City and the Note Registrar may attempt to establish a securities depository/book-entry relationship with another qualified Depository under this Ordinance. If the City and the Note Registrar do not or are unable to do so, the City and the Note Registrar, after the Note Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the

Notes from the Depository and authenticate and deliver bond certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing and delivering definitive Notes), if the event is not the result of action or inaction by the City or the Note Registrar, of those persons requesting such issuance.

Section 11. The Director of Finance is hereby directed to create the following funds and accounts into which the proceeds of the Notes and all Revenues shall be deposited, which shall be established and maintained, except as otherwise provided, so long as any Note hereby authorized remains unpaid.

- (a) the Construction Fund designated the "City of Lakewood, Ohio Sewer Improvement Series 2018 Construction Fund" (the "Construction Fund");
- (b) the Bond Fund, designated the "City of Lakewood, Ohio Sewer Improvement Series 2018 Bond Fund" (the "Bond Fund"); and
- (c) the Issuance Expense Fund designated the "City of Lakewood, Ohio Sewer Improvement Series 2018 Issuance Expense Fund" ("Issuance Expense Fund").

Proceeds from the sale of the Notes shall be deposited into the Construction Fund, the Bond Fund and Issuance Expense Fund as described in the Certificate of Fiscal Officer.

Section 12. Federal Tax Law Compliance. The City hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Notes is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Notes so that the Notes will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The City further covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Director of Finance, or any other officer of the City, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the City with respect to the Notes as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Director of Finance, which action shall be in writing and signed by the Director of Finance, or any other officer of the City, including the Mayor, on behalf of the City; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes; and (c) to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the City pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the City regarding compliance by the City with sections 141 through 150 of the Code and the Regulations.

The Director of Finance shall keep and maintain adequate records pertaining to investment of all proceeds of the Notes sufficient to permit, to the maximum extent possible and presently foreseeable, the

City to comply with any federal law or regulation now or hereafter having applicability to the Notes which limits the amount of Note proceeds which may be invested on an unrestricted yield or requires the City to rebate arbitrage profits to the United States Department of the Treasury. The Director of Finance is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Notes requires any such reports or rebates.

Section 13. Appointment of Bond Counsel. The Director of Finance, on behalf of this Council, is hereby authorized to appoint the law firm of Bricker & Eckler LLP to serve as bond counsel for the Notes. The fees to be paid to such firm shall be subject to review and approval of the Director of Finance, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from proceeds of the Notes.

Section 14. Transcript of Proceedings; Execution of Additional Documents. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Notes and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the City to issue the Notes and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Clerk of Council and a no-litigation certificate of the Mayor and the Director of Finance, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

The Director of Finance is hereby authorized and directed to take such action and to execute and deliver, on behalf of this Council, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Ordinance. Such documents shall be in the form not substantially inconsistent with the terms of this Ordinance, as they in their discretion shall deem necessary or appropriate.

Section 15. Satisfaction of Conditions for Note Issuance. It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Notes in order to make them legal, valid and binding obligations of the City have happened, been done and been performed in regular and due form as required by law; that the Revenues are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing the Notes.

Section 16. Compliance with Open Meeting Requirements. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 17. Emergency Measure. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments, and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Notes to enable the City to combine the Notes with other notes to be issued by the City into a consolidated note issue and obtain savings in the issuance of the Notes; and provided it receives the affirmative vote of at least two thirds of the members of this Council, this Ordinance shall take effect and be in force at the earliest date possible as set forth in Section 2.12 of the Charter.

Passed: _____, 2018

President of Council

Clerk of Council

Approved: _____, 2018

Mayor

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. ____ duly adopted by the Council of the City of Lakewood, Ohio on _____, 2018.

Clerk of Council
City of Lakewood, Ohio

ORDINANCE NO. _____

By: _____

AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION INCOME TAX REVENUE NOTES IN THE AMOUNT OF NOT TO EXCEED \$2,500,000 IN ANTICIPATION OF THE ISSUANCE OF BONDS; TO PAY COSTS OF DESIGNING, ENGINEERING, PERMITTING AND CONSTRUCTING IMPROVEMENTS TO THE CITY'S EXISTING DIGESTER MIXERS, HEAT EXCHANGERS AND TANKS, TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO; PROVIDING FOR THE PLEDGE OF REVENUES FROM THE CITY'S 1.50% INCOME TAX TO SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTES IN ANTICIPATION OF BONDS; AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY

WHEREAS, the City of Lakewood (the "City") levies an income tax at a rate of 1.50% pursuant to Section 128 of the Codified Ordinances of the City (the "Income Tax") to provide funds for general municipal functions of the City;

WHEREAS, pursuant to Article XVIII, Section 3 of the Ohio Constitution, the City is authorized to issue special obligation revenue bonds and bond anticipation notes supported by the Income Tax and in anticipation of the receipt of revenues of the Income Tax (the "Revenues") to provide funds for municipal purposes;

WHEREAS, this Council desires to issue special obligation income tax revenue bond anticipation notes in an aggregate principal amount not to exceed \$2,500,000 (the "Notes") to finance the costs of the improvement stated in the title of this ordinance (the "Project");

WHEREAS, the Notes shall be payable solely from and secured by the Revenues of the City;

WHEREAS, this Council by a vote of at least two thirds of its members determines that this Ordinance is an emergency measure, and that this Ordinance shall take effect at the earliest date possible as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood (the "Charter"), and that it is necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments and further to allow the City to issue the notes with other notes to be issued by the City into a consolidated issue and obtain savings in the issuance of the notes. Now Therefore

BE IT ORDAINED by the City of Lakewood, Ohio, that:

Section 1. Issuance of Bonds. It is hereby declared necessary to issue revenue bonds of the City, in anticipation of the levy of the Income Tax and receipt of the Revenues, in the principal sum of not to exceed \$2,500,000 (the "Bonds"), for the purpose of paying the cost of the Project.

Section 2. Terms of the Bonds. The Bonds shall be dated prior to the maturity date of the Notes, shall bear interest at the maximum average annual interest rate presently estimated to be 4.50% per annum, payable semiannually until the principal sum is paid, and shall mature in 25 annual installments.

Section 3. Issuance of Bond Anticipation Notes. It is necessary to issue, and this Council hereby determines that there shall be issued, notes in anticipation of the issuance of the Bonds.

Section 4. Combining Notes for Purposes of Issuance and Sale. It is hereby determined, that for the purposes of issuance and sale, it may be in the best interest of the City to combine the Notes with other income tax revenue notes of the City authorized by separate ordinances of this Council. The Notes

and such other notes shall be jointly referred to herein as the "Combined Notes." As used in this Ordinance, the term "Notes" shall also mean the Combined Notes, where appropriate. The Combined Notes shall be designated "City of Lakewood, Ohio Various Purpose Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance of the City (the "Director of Finance").

Section 5. Terms of the Notes; Certificate of Fiscal Officer Relating to Terms of Notes. The Notes shall be in the amount of not to exceed \$2,500,000, which sum does not exceed the amount of the Bonds. The Notes shall be dated the date established by the Director of Finance and certified to this Council and shall mature on such date as shall be determined by the Director of Finance and certified to this Council, provided that such date shall not be later than one year after the date of issuance of the Notes. The Notes shall be issued as fully registered notes in book-entry form only, in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof and shall be numbered as determined by the Director of Finance. The Notes shall be issued as fully registered notes. Coupons shall not be attached to the Notes. The Notes shall be sold in a transaction exempt from the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission.

The Director of Finance is authorized and directed to execute a Certificate of Fiscal Officer Relating to Terms of Notes (the "Certificate of Fiscal Officer") setting forth the final terms of the Notes, consistent with the requirements of this Ordinance, and to present the same to this Council after closing.

Section 6. Income Tax Pledge; Security for the Notes. The Notes shall be special obligation income tax revenue notes issued pursuant to Article XVIII, Section 3 of the Ohio Constitution, the Charter of the City and this Ordinance for the purpose of the Project. The Notes may be issued in one or more series. The City hereby covenants and pledges, subject and pursuant to the Constitution and laws of the State of Ohio, to appropriate from the Revenues (a) amounts sufficient to pay principal and interest due on the Notes. The City hereby covenants and agrees that, so long as the Notes are outstanding, the City shall not attempt to create or otherwise permit a pledge or any other lien on the Revenues that is senior to or on a parity with the pledge of the Revenues contained in this Ordinance to pay the principal of and interest on the Notes; provided, however, that this provision shall not be read to limit the City's ability to issue general obligation debt for any municipal purpose. The City hereby covenants and agrees that, so long as the Notes are outstanding, it shall not suffer the repeal, amendment or any other change in this Ordinance or in the City's income tax ordinances that in any way materially and adversely affects or impairs (i) the sufficiency of the Revenues levied and collected or otherwise available for the payment of the Notes or (ii) the pledge or the application of the Revenues to the payment of the Notes.

The Notes shall be special obligations of the City, and the principal of and interest and any premium on the Notes shall be payable solely from the Revenues, and such payment shall be secured by a pledge of the Revenues as provided in this Ordinance.

The Notes shall be special obligation income tax revenue notes payable solely from the Revenues and shall be secured equally and ratably (i) by a pledge of the Revenues; provided, however, that any lien on or pledge of any fund, account, revenues or money shall be valid and enforceable only to the extent permitted by law. Nothing in this Ordinance or the Notes shall constitute a general obligation, debt or bonded indebtedness of the City; neither the general resources of the City shall be required to be used, nor the general credit of the City pledged for the performance of any duty under this Ordinance or the Notes; and further, nothing herein or therein gives the Holders of the Notes, and they do not have, the right to have excises or taxes levied by the City, or by the State or the taxing authority of any other political subdivision, for the payment of principal of, redemption premium, if any, and interest on the Notes, but the Notes are payable solely from the Revenues, and each Note shall contain on the face thereof a statement to that effect; provided, however, that nothing in this Ordinance shall be deemed to prohibit the

City, of its own volition, from using to the extent it is lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of this Ordinance and the Notes.

The City hereby covenants and agrees to observe and perform all its agreements and obligations provided for by the Notes and this Ordinance. All of the obligations under this Ordinance are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon the City within the meaning of Section 2731.01 of the Ohio Revised Code.

Section 7. Sale of the Notes. The Notes shall bear interest, based on a 360-day year of twelve 30-day months, payable at maturity, at such rate per annum as shall be determined by the Director of Finance and certified to this Council, provided that such rate shall not exceed 5.00% per annum. The Notes shall be, and hereby are, awarded and sold at private sale to KeyBanc Capital Markets Inc., Cleveland, Ohio (the "Original Purchaser"), at the purchase price set forth in the Certificate of Fiscal Officer.

The Director of Finance is hereby authorized and directed to deliver the Notes, when executed, to the Original Purchaser upon payment of the purchase price and accrued interest, if any, to the date of delivery. The proceeds of such sale, except any accrued interest or premium thereon, shall be deposited in the Treasury of the City and used for the purpose aforesaid and for no other purpose.

Any accrued interest received from the sale of the Notes shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on the Notes, or other obligations of the City as permitted by law.

Section 8. Form and Execution of Notes; Payment of Notes. The Notes shall be executed by the Director of Finance and the Mayor, provided that any and all of such signatures may be a facsimile, shall be designated "City of Lakewood, Ohio Digester Improvement Income Tax Revenue Notes, Series 2018," or as otherwise determined by the Director of Finance, and shall be payable as to both principal and interest at the office of Note Registrar (as defined hereinbelow). The Notes shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance.

The principal of and interest on the Notes shall be payable in lawful money of the United States of America without deduction for the services of the Note Registrar. The principal of and interest on the Notes shall be payable upon presentation and surrender of the Notes at their maturity at the office of the Note Registrar. No Note shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Note, is signed by the Note Registrar as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the Note so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Note Registrar or by such other person acting as an agent of the Note Registrar as shall be approved by the Director of Finance on behalf of the City. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Notes.

Section 9. Appointment of Note Registrar. The Director of Finance is authorized and directed to execute on behalf of the City a Note Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Director of Finance and the Original Purchaser, pursuant to which such bank or financial institution shall agree to serve as authenticating agent, note registrar, transfer agent, and paying agent (the "Note Registrar") for the Notes. Interest shall be payable at maturity by check or draft mailed to the Registered Owner hereof, as shown on the registration books of the City maintained by the Note Registrar. If at any time the Note Registrar shall be unable or unwilling to serve as such, or the Director of Finance in such officer's discretion shall determine that it would be in the best interest of the City for such functions to be performed by another party, the Director of Finance may, and is hereby

authorized and directed to, enter into an agreement with a national banking association or other appropriate financial institution experienced in providing such services, to perform the services required of the Note Registrar hereunder. Each such successor Note Registrar shall promptly advise all noteholders of the change in identity and new address of the Note Registrar. So long as any of the Notes remain outstanding, the City shall cause to be maintained and kept by the Note Registrar, at the office of the Note Registrar, all books and records necessary for the registration, exchange and transfer of Notes as provided in this section (the "Note Register"). Subject to the provisions of this Ordinance, the person in whose name any Note shall be registered on the Note Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Note shall be made only to or upon the order of that person. Neither the City nor the Note Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Notes, including the interest thereon, to the extent of the amount or amounts so paid.

Any Notes, upon presentation and surrender at the office of the Note Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar, may be exchanged for Notes of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

A Note may be transferred only on the Note Register upon presentation and surrender thereof at the office of the Note Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Note Registrar. Upon that transfer, the Note Registrar shall complete, authenticate and deliver a new Note or Notes of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Notes surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Note Registrar shall not be required to transfer or exchange (i) any Note during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Notes, and ending at the close of business on the day of such mailing, or (ii) any Notes selected for redemption, in whole or in part, following the date of such mailing.

In all cases in which Notes are exchanged or transferred hereunder, the City shall cause to be executed, and the Note Registrar shall authenticate and deliver, the Notes in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the Council and Note Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Council or the Note Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Notes. All Notes issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Notes surrendered upon that transfer or exchange.

Section 10. Book-entry System. For purposes of this Ordinance, the following terms shall have the following meanings:

“Book-entry form” or “book-entry system” means a form or system under which (i) the beneficial right to payment of principal of and interest on the Notes may be transferred only through a book-entry system and (ii) physical Notes in fully registered form are issued only to a Depository or its nominee as registered owner, with the Notes “immobilized” to the custody of the Depository, and the book-entry is the record that identifies the owners of beneficial interests in those Notes.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book-entry system to record beneficial ownership of notes and to effect transfers of notes, in book-entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

The Notes may initially be issued to a Depository for use in a book-entry system, and the provisions of this Section shall apply, notwithstanding any other provision of this Ordinance: (i) there shall be a single Note of each maturity, (ii) those Notes shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book-entry form shall have no right to receive Notes in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Notes in book-entry form shall be shown by book-entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book-entry; and (v) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City. Note service charges on Notes in book-entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative upon presentation and surrender of Notes as provided in this Ordinance.

The Note Registrar may, with the approval of the City, enter into an agreement with the beneficial owner or registered owner of any Note in the custody of a Depository providing for making all payments to that owner of principal and interest on that Note or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided in this Ordinance, without prior presentation or surrender of the Note, upon any conditions which shall be satisfactory to the Note Registrar and to the City. That payment in any event shall be made to the person who is the registered owner of that Note on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Note Registrar will furnish a copy of each of those agreements, certified to be correct by the Note Registrar, to other paying agents for Notes and to the City. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

If requested, the Mayor, Director of Finance, Clerk of Council, or any other officer of this Council, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, the letter agreement among the City, the paying agent for the Notes and The Depository Trust Company, as Depository, to be delivered in connection with the issuance of the Notes to the Depository for use in a book-entry system in substantially the form submitted to this Council.

The City may decide to discontinue use of the book-entry system through the Depository. In that event, Note certificates will be printed and delivered to the Depository.

If any Depository determines not to continue to act as a depository for the Notes for use in a book-entry system, the City and the Note Registrar may attempt to establish a securities depository/book-entry relationship with another qualified Depository under this Ordinance. If the City and the Note Registrar do not or are unable to do so, the City and the Note Registrar, after the Note Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the

Notes from the Depository and authenticate and deliver bond certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing and delivering definitive Notes), if the event is not the result of action or inaction by the City or the Note Registrar, of those persons requesting such issuance.

Section 11. The Director of Finance is hereby directed to create the following funds and accounts into which the proceeds of the Notes and all Revenues shall be deposited, which shall be established and maintained, except as otherwise provided, so long as any Note hereby authorized remains unpaid.

- (a) the Construction Fund designated the "City of Lakewood, Ohio Digester Improvement Series 2018 Construction Fund" (the "Construction Fund");
- (b) the Bond Fund, designated the "City of Lakewood, Ohio Digester Improvement Series 2018 Bond Fund" (the "Bond Fund"); and
- (c) the Issuance Expense Fund designated the "City of Lakewood, Ohio Digester Improvement Series 2018 Issuance Expense Fund" ("Issuance Expense Fund").

Proceeds from the sale of the Notes shall be deposited into the Construction Fund, the Bond Fund and Issuance Expense Fund as described in the Certificate of Fiscal Officer.

Section 12. Federal Tax Law Compliance. The City hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Notes is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Notes so that the Notes will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The City further covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Director of Finance, or any other officer of the City, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the City with respect to the Notes as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Director of Finance, which action shall be in writing and signed by the Director of Finance, or any other officer of the City, including the Mayor, on behalf of the City; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes; and (c) to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the City pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the City regarding compliance by the City with sections 141 through 150 of the Code and the Regulations.

The Director of Finance shall keep and maintain adequate records pertaining to investment of all proceeds of the Notes sufficient to permit, to the maximum extent possible and presently foreseeable, the

City to comply with any federal law or regulation now or hereafter having applicability to the Notes which limits the amount of Note proceeds which may be invested on an unrestricted yield or requires the City to rebate arbitrage profits to the United States Department of the Treasury. The Director of Finance is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Notes requires any such reports or rebates.

Section 13. Appointment of Bond Counsel. The Director of Finance, on behalf of this Council, is hereby authorized to appoint the law firm of Bricker & Eckler LLP to serve as bond counsel for the Notes. The fees to be paid to such firm shall be subject to review and approval of the Director of Finance, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from proceeds of the Notes.

Section 14. Transcript of Proceedings; Execution of Additional Documents. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Notes and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the City to issue the Notes and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Clerk of Council and a no-litigation certificate of the Mayor and the Director of Finance, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

The Director of Finance is hereby authorized and directed to take such action and to execute and deliver, on behalf of this Council, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Ordinance. Such documents shall be in the form not substantially inconsistent with the terms of this Ordinance, as they in their discretion shall deem necessary or appropriate.

Section 15. Satisfaction of Conditions for Note Issuance. It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Notes in order to make them legal, valid and binding obligations of the City have happened, been done and been performed in regular and due form as required by law; that the Revenues are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing the Notes.

Section 16. Compliance with Open Meeting Requirements. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 17. Emergency Measure. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public property, health and safety, and to provide for the usual daily operations of municipal departments, and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Notes to enable the City to combine the Notes with other notes to be issued by the City into a consolidated note issue and obtain savings in the issuance of the Notes; and provided it receives the affirmative vote of at least two thirds of the members of this Council, this Ordinance shall take effect and be in force at the earliest date possible as set forth in Section 2.12 of the Charter.

Passed: _____, 2018

President of Council

Clerk of Council

Approved: _____, 2018

Mayor

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. ____ duly adopted by the Council of the City of Lakewood, Ohio on _____, 2018.

Clerk of Council
City of Lakewood, Ohio

ORDINANCE NO.

BY:

AN ORDINANCE to take effect immediately provided it receives the affirmative vote of two thirds members of Council, or otherwise to take effect and be in force after the earliest period allowed by law, authorizing the Director of Finance to enter into Equipment Leases in forms approved by the Director of Law on behalf of the City of Lakewood ("City").

WHEREAS, the City is an Ohio political subdivision and is organized and existing under the Constitution and laws of Ohio and its Charter; and

WHEREAS, in accordance with applicable law, including without limitation its home rule authority under Ohio Constitution Article XVIII, the City has the power to acquire personal property, including without limitation, acquisition by lease-purchase agreement; and

WHEREAS, the City has requested proposals for the lease-purchase acquisition of certain property, and the authorized representatives of the City have determined that the proposal of _____, its affiliates, successors, or assigns is the most responsive and responsible proposal;

WHEREAS, as set forth in Section 2.12 of the Third Amended Charter of the City of Lakewood, this Council by a vote of at least two thirds of its members determines that this ordinance is an emergency measure and that it shall take effect immediately, and that it is necessary for the immediate preservation of the public property, health, and safety and to provide for the usual daily operation of municipal departments in that these equipment leases are necessary for the operation of various departments and divisions. Now, therefore,

BE IT ORDAINED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. This Council makes the following findings and determinations:

(a) It is appropriate and necessary to the functions and operations of the City, to enter into one or more lease-purchase agreements (the "Equipment Leases") in the principal amount not exceeding **\$1,500,000**, for the purpose of acquiring the vehicles, equipment, and other personal property generally described in Exhibit A to this ordinance (the "Leased Property") and to be described more specifically in the Equipment Leases.

(b) _____ is the lessor under the Equipment Leases in accordance with its proposal.

(c) The City is entering into the Equipment Leases in accordance with its power and authority under the Ohio Revised Code, the Ohio Constitution, and its Charter, to acquire the Leased Property and the Equipment Leases constitute "public obligations" as defined in Chapter 133.01(GG), Ohio Revised Code.

Section 2. That the Director of Finance acting on behalf of the City is hereby authorized to negotiate, enter into, execute, and deliver one or more Equipment Leases in the form approved by the Director of Law. The Director of Finance is hereby authorized to negotiate, enter into, execute, and deliver such other documents relating to the Equipment Leases (including, but not limited to, escrow agreements) as the Director of Finance deems necessary and appropriate. All other related contracts and agreements necessary and incidental to the Equipment Leases are hereby authorized. By a written instrument signed by the Director of Finance, the Director of Finance may designate specifically identified officers or employees of the City to execute and deliver agreements and documents relating to the Equipment Leases on behalf of the City.

Section 3. The aggregate original principal amount of the Equipment Leases shall not exceed **\$1,700,000**. The payments under the Equipment Leases shall include interest at the rates determined in accordance with _____'s proposal, but in no event to exceed an annual rate of 5%. The Equipment Leases shall be for the term or terms selected by the Director of Finance, in accordance with _____'s proposal, but in no event to exceed 20 years. The Equipment Leases shall contain such options to purchase by the City as set forth in _____'s proposal and the Equipment Leases, and approved by the Director of Finance.

Section 4. That the Clerk of Council is hereby directed to send certified copy of this Ordinance to _____.

Section 5. All formal actions of this Council relating to the enactment of this Ordinance were taken in an open meeting of this Council, and the deliberations of this Council and any of its committees that resulted in those formal actions, were meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 6. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare in the City and for the usual daily operation of the City for the reasons set forth and defined in the preamble to this Ordinance, and provided it receives the affirmative vote of at least two thirds members of Council, this Ordinance shall take effect and be in force immediately upon its adoption by the Council and approval by the Mayor otherwise, it shall take effect and be in force after the earliest period allowed by law.

Adopted: _____

President of Council

Clerk of Council

Approved: _____

Mayor

2018 Municipal Leases
Exhibit A

2018 Projects to be Financed using Municipal Capital Leases	Amount		
		Fund	Lease Term
Total =	\$ 1,477,000		
Early Warning Siren Replacement	\$ 130,000	301	10
Streets Vehicle #112 -5-Ton S/S Dump w/ Plow & S/S Spreader	\$ 210,000	301	10
Street Sweeper to replace #133	\$ 225,000	510	10
Police Vehicles 4-5 cars each year	\$ 337,000	301	5
Two Refuse duel pack truck - rear load packers	\$ 575,000	301	10



12650 DETROIT AVENUE 44107 216/529-6055 FAX 216/226-3650

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January 25, 2018

CITIZENS ADVISORY COMMITTEE APPOINTMENT: MICHAEL BENTLEY

Colleagues:

The purpose of this correspondence is to reflect my appointment of Michael Bentley, of Lake Road, to the Citizens Advisory Committee.

Mr. Bentley grew up in Lakewood, attended school here, and has a business in Lakewood as well. He has been an active member of the community and I am confident he will bring his activism to his service in this capacity.

It is my honor and privilege to appoint Mr. Bentley to this position, and I look forward to his contributions to our community in this role.

Yours In Service,

Meghan F. George – At-Large



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DANIEL J. O'MALLEY, WARD 4

February 5, 2018

Lakewood City Council
Lakewood, OH 44107

Re: Ordinance amending housing license requirements for condominium rental property

Dear Fellow Councilmembers:

Over the course of the last year, I have been included in conversations with city officials, residents, and property managers about ways to improve our housing stock and ensure that rental properties in Lakewood remain consistent with our code standards. One particular area where our ordinances appear to fall short is in addressing condominium rentals. While non-owner-occupied single-family homes, duplexes, and apartment buildings are licensed by each owner and placed on an inspection schedule, condominium rentals are not.

The attached ordinance is designed to protect property owners and tenants alike by ensuring that condominium rentals are treated consistently with other rental properties in the city by requiring that each owner obtain a license and the property be periodically inspected. I look forward to hearing from such owners and other residents as council considers these changes.

Please refer this ordinance to the Housing Committee for further consideration.

Sincerely,

Daniel J. O'Malley
Councilmember, Ward 4

ORDINANCE NO.

BY:

AN ORDINANCE amending Sections 1306.43, Housing and Vacant Property License, and Section 1306.44, License Application Form and Fee, of the Codified Ordinances of the City of Lakewood in order to update the code with respect to the regulation of condominium associations and unit owners in the City.

WHEREAS, various provisions within Chapter 1306 of the Code stand to be amended in order to update the code with respect to the regulation of condominium associations and unit owners in the City; and

WHEREAS, pursuant to the Constitution of the State of Ohio and the Ohio Revised Code, municipalities have the power of local self-government; and

WHEREAS, pursuant to the Constitution of the State of Ohio and the Ohio Revised Code, municipalities have the power to enact laws that are for the health, safety, welfare, comfort and peace of the citizens of the municipality; now, therefore,

BE IT ORDAINED BY THE CITY OF LAKEWOOD, OHIO:

Section 1. Section 1306.43, Housing and Vacant Property License, of the Codified Ordinances of the City of Lakewood, currently reading as follows:

1306.43 HOUSING AND VACANT PROPERTY LICENSE.

(a) Application. This section applies to:

(1) Any structure or portion of any structure in which there are one or more rental dwelling units or in which a rooming house is operated, whether occupied or not;

(2) Condominium property as defined in Ohio R.C. Chapter 5311, whether occupied or not, in which case the owner of the condominium property or the unit owners association shall be required to obtain the housing license as provided herein; and

(3) Vacant dwelling structures or commercial structures, whether rental property or not.

(b) Limitations. This section does not apply to lawful one- and two-family structures occupied in part or wholly by the owner as the owner's principal residence.

(c) In General.

(1) No person shall rent or cause to be rented a dwelling unit or a portion of a dwelling unit to another unless the person has been issued a housing license as provided for in this section.

(2) No owner of a structure shall maintain or cause to be maintained the structure in a vacant or abandoned status as defined in Section 1306.72 without having been issued a vacant property license as provided for in this section.

(3) No person in control of a property other than an owner, including but not limited to a mortgagee, property holding company, property manager or lienholder, shall maintain the property in a vacant or abandoned status as defined in Section 1306.72 without having been issued a vacant property license as provided for in this section.

(d) Required Licenses.

(1) A housing license is required for each dwelling unit in a structure.

(2) A vacant property license is required for each vacant residential or commercial structure.

(3) The Building Commissioner or his or her designee (as used in this section, "Building Commissioner") shall determine at his or her sole discretion the number of dwelling or commercial units existing within a structure.

(e) Issuance. The Building Commissioner shall issue the applicable license to each applicant meeting the requirements of this chapter.

(f) Scope. A license authorizes a licensee to rent a dwelling unit or a portion of a dwelling unit or permits a property to be maintained in a vacant status.

shall be repealed, and new Section 1306.43, Housing and Vacant Property License, shall be enacted to read as follows:

1306.43 HOUSING AND VACANT PROPERTY LICENSE.

(a) Application. This section applies to:

(1) Any structure or portion of any structure, including condominium property, in which there are one or more rental dwelling units or in which a rooming house is operated, whether occupied or not; and

(2) ~~Condominium property as defined in Ohio R.C. Chapter 5311, whether occupied or not, in which case the owner of the condominium property or the unit owners association shall be required to obtain the housing license as provided herein; and~~

(3) Vacant dwelling structures or commercial structures, whether rental property or not.

(b) Limitations. This section does not apply to lawful one- and two-family structures occupied in part or wholly by the owner as the owner's principal residence.

(c) In General.

(1) No person shall rent or cause to be rented a dwelling unit or a portion of a dwelling unit to another unless the person has been issued a housing license as provided for in this section.

(2) No owner of a structure shall maintain or cause to be maintained the structure in a vacant or abandoned status as defined in Section 1306.72 without having been issued a vacant property license as provided for in this section.

(3) No person in control of a property other than an owner, including but not limited to a mortgagee, property holding company, property manager or lienholder, shall maintain the property in a vacant or abandoned status as defined in Section 1306.72 without having been issued a vacant property license as provided for in this section.

(d) Required Licenses.

(1) A housing license is required for each dwelling unit in a structure.

(2) A vacant property license is required for each vacant residential or commercial structure.

(3) The Building Commissioner or his or her designee (as used in this section, "Building Commissioner") shall determine at his or her sole discretion the number of dwelling or commercial units existing within a structure.

(e) Issuance. The Building Commissioner shall issue the applicable license to each applicant meeting the requirements of this chapter.

(f) Scope. A license authorizes a licensee to rent a dwelling unit or a portion of a dwelling unit or permits a property to be maintained in a vacant status.

Section 2. Section 1306.44, License Application Form and Fee, of the Codified Ordinances of the City of Lakewood, currently reading as follows:

1306.44 LICENSE APPLICATION FORM AND FEE.

(a) In General. An applicant for a housing or vacant property license shall:

(1) Submit to the Building Commissioner or his or her designee (as used in this section, "Building Commissioner") an application on a form prescribed by the Building Commissioner; and

(2) Except as provided for in division (a)(3) of this section, in the case of an application for a housing license, certify that the applicant or an agent of the applicant has complied with at least two of the following requirements if the applicant has not had a housing license declared null and void pursuant to Section 1306.48:

A. That the applicant uses a written rental agreement as defined in Section 5321.01(D) of the Ohio Revised Code; or

B. That the applicant uses a reputable tenant screening agency for criminal and eviction background checks; or

C. That the applicant or agent of the applicant has within the past two years attended a landlord-tenant informational seminar approved by the Building Commissioner; and

(3) In the case of an application for a housing license, if the applicant has had a housing license declared null and void pursuant to Section 1306.48 in the previous two years, certify that the applicant or an agent of the applicant has complied with all three of the requirements in Section 1306.44(a)(2) and demonstrate compliance with all outstanding citations or correction notices issued pursuant to Chapter 1306 and with any outstanding fines or assessments issued pursuant to Chapter 510; and

(4) In the case of an application for a vacant property license, a copy of the declarations page for at least one policy of liability insurance covering the property and acknowledging that the property is vacant; and the combination to a Knox Box system or such other rapid-entry system of comparable quality authorized by the Chief of Fire containing keys necessary to aid the Division of Fire in obtaining access to the structure when responding to calls for an emergency service; and

(5) Pay to the Building Commissioner the application fee established by this section.

(b) Required Application Information. In addition to any other information required on an application form, the application form shall require:

(1) The applicant's name and the address of the applicant's principal place of business; and

(2) A description of the dwelling structure and the structure's address, including unit numbers; and

(3) The name and address of the property manager, resident agent or trustee, when applicable; and

(4) The name and address of an adult individual who is a resident of Ohio and is designated as the applicant's agent for receiving service of process, notices or any other papers from the City; and

(5) The type of structure as certified by the City, including the number of stories, in which the dwelling unit is located; and

(6) In the case of a housing license, the full names of all adult tenants and the number of minor tenants living in the residential unit as of the date the applica-

tion is tendered to the City and, if applicable, the dwelling unit numbers in which the tenants reside; and

(7) The year the dwelling in which the dwelling unit is located was constructed; and

(8) The type and number of smoke detectors in the dwelling unit; and

(9) The type of heating system in the dwelling unit; and

(10) The type of hot water heating system in the dwelling unit; and

(11) The name and telephone number of the person or entity responsible for sidewalk snow removal, grass cutting, and the removal of garbage containers from the tree lawn; and

(12) A statement by the applicant certifying, for each dwelling unit in the structure, that the applicant has personally witnessed within the 12-month period immediately preceding the date of the application that:

A. Smoke and carbon monoxide detectors are present and operational pursuant to Chapter 1331; and

B. No visible electrical or other hazards are present; and

C. In the case of a housing license, there is hot and cold running water in the kitchen and each bathroom with no leaks below the sink area and all toilets flush; or in the case of a vacant property license, the plumbing has been winterized to prevent the freezing of pipes; and

D. In the case of a housing license, the heating system is operational; and

E. Railings are present on interior and exterior stairs as required by applicable code; and

F. No readily observable conditions exist that represent a threat to the health and safety of an occupant.

(13) In the case of a vacant property license, a statement by the applicant that all utilities to the structure have been disconnected, including electric service, which shall be disconnected at the utility pole, unless the applicant states that the structure is being actively marketed for sale.

(c) The issuance of a housing or vacant property license upon the satisfaction of the conditions in this section shall not in any way be construed as City approval or determination as to the condition or livability of the unit or structure.

(d) Fee Requirements.

(1) The housing license fee shall be as follows:

A. Owner-occupied condominium units: \$2.00.

B. Non-owner-occupied condominium units: \$6.00.

C. Rooming house containing two or more tenants: \$60.00 per rooming unit.

D. Non-owner-occupied one- or two-family structures: \$75.00 per dwelling unit.

E. Three-family dwellings: \$60.00 per non-owner-occupied unit.

F. All other occupied structures: \$45.00 per dwelling unit.

(2) There shall be a limit of \$2,000.00 for a condominium and \$3,500.00 for any other occupied structure.

(3) The vacant property license fee shall be as follows:

A. Vacant housing structures: \$200.00 per structure.

B. Vacant commercial or mixed-use building: \$200.00 per structure.

(e) Change of Information. The applicant shall inform the Building Commissioner in writing of any change in the information provided under subsection (b) of this section not more than 30 days after the change is made.

(f) Corporations and Limited Liability Companies. If the applicant is a corporation or a limited liability company, an officer of the corporation or managing member of the limited liability company shall provide the information required under subsections (a) and (b) of this section.

(g) Other Business Entities. If the applicant is an association or partnership, a member or partner shall provide the information required under subsections (a) and (b) of this section.

shall be repealed, and new Section 1306.44, License Application Form and Fee, shall be enacted to read as follows:

1306.44 LICENSE APPLICATION FORM AND FEE.

(a) In General. An applicant for a housing or vacant property license shall:

(1) Submit to the Building Commissioner or his or her designee (as used in this section, "Building Commissioner") an application on a form prescribed by the Building Commissioner; and

(2) Except as provided for in division (a)(3) of this section, in the case of an application for a housing license, certify that the applicant or an agent of the applicant has complied with at least two of the following requirements if the applicant has not had a housing license declared null and void pursuant to Section 1306.48:

A. That the applicant uses a written rental agreement as defined in Section 5321.01(D) of the Ohio Revised Code; or

B. That the applicant uses a reputable tenant screening agency for criminal and eviction background checks; or

C. That the applicant or agent of the applicant has within the past two years attended a landlord-tenant informational seminar approved by the Building Commissioner; and

(3) In the case of an application for a housing license, if the applicant has had a housing license declared null and void pursuant to Section 1306.48 in the previous two years, certify that the applicant or an agent of the applicant has complied with all three of the requirements in Section 1306.44(a)(2) and demonstrate compliance with all outstanding citations or correction notices issued pursuant to Chapter 1306 and with any outstanding fines or assessments issued pursuant to Chapter 510; and

(4) In the case of an application for a vacant property license, a copy of the declarations page for at least one policy of liability insurance covering the property and acknowledging that the property is vacant; and the combination to a Knox Box system or such other rapid-entry system of comparable quality authorized by the Chief of Fire containing keys necessary to aid the Division of Fire in obtaining access to the structure when responding to calls for an emergency service; and

(5) Pay to the Building Commissioner the application fee established by this section.

(b) Required Application Information. In addition to any other information required on an application form, the application form shall require:

(1) The applicant's name and the address of the applicant's principal place of business; and

(2) A description of the dwelling structure and the structure's address, including unit numbers; and

(3) The name and address of the property manager, resident agent or trustee, when applicable; and

(4) The name and address of an adult individual who is a resident of Ohio and is designated as the applicant's agent for receiving service of process, notices or any other papers from the City; and

(5) The type of structure as certified by the City, including the number of stories, in which the dwelling unit is located; and

(6) In the case of a housing license, the full names of all adult tenants and the number of minor tenants living in the residential unit as of the date the application is tendered to the City and, if applicable, the dwelling unit numbers in which the tenants reside; and

(7) The year the dwelling in which the dwelling unit is located was constructed; and

(8) The type and number of smoke detectors in the dwelling unit; and

(9) The type of heating system in the dwelling unit; and

(10) The type of hot water heating system in the dwelling unit; and

(11) The name and telephone number of the person or entity responsible for sidewalk snow removal, grass cutting, and the removal of garbage containers from the tree lawn; and

(12) A statement by the applicant certifying, for each dwelling unit in the structure, that the applicant has personally witnessed within the 12-month period immediately preceding the date of the application that:

A. Smoke and carbon monoxide detectors are present and operational pursuant to Chapter 1331; and

B. No visible electrical or other hazards are present; and

C. In the case of a housing license, there is hot and cold running water in the kitchen and each bathroom with no leaks below the sink area and all toilets flush; or in the case of a vacant property license, the plumbing has been winterized to prevent the freezing of pipes; and

D. In the case of a housing license, the heating system is operational; and

E. Railings are present on interior and exterior stairs as required by applicable code; and

F. No readily observable conditions exist that represent a threat to the health and safety of an occupant.

(13) In the case of a vacant property license, a statement by the applicant that all utilities to the structure have been disconnected, including electric service, which shall be disconnected at the utility pole, unless the applicant states that the structure is being actively marketed for sale.

(c) The issuance of a housing or vacant property license upon the satisfaction of the conditions in this section shall not in any way be construed as City approval or determination as to the condition or livability of the unit or structure.

(d) Fee Requirements.

(1) The housing license fee shall be as follows:

A. ~~Owner-occupied~~ Non-owner-occupied condominium units: ~~\$245.00 per unit.~~

B. ~~Non-owner-occupied~~ condominium units: ~~\$6.00.~~

~~CB.~~ Rooming house containing two or more tenants: \$60.00 per rooming unit.

~~DC.~~ Non-owner-occupied one- or two-family structures: \$75.00 per dwelling unit.

~~ED.~~ Three-family dwellings: \$60.00 per non-owner-occupied unit.

~~FE.~~ All other occupied structures: \$45.00 per dwelling unit.

(2) There shall be a limit of ~~\$2,000.00 for a condominium and \$3,500.00 for any other-occupied structure for which a single license has been issued.~~

(3) The vacant property license fee shall be as follows:

A. Vacant housing structures: \$200.00 per structure.

B. Vacant commercial or mixed-use building: \$200.00 per structure.

(e) Change of Information. The applicant shall inform the Building Commissioner in writing of any change in the information provided under subsection (b) of this section not more than 30 days after the change is made.

(f) Corporations and Limited Liability Companies. If the applicant is a corporation or a limited liability company, an officer of the corporation or managing member of the limited liability company shall provide the information required under subsections (a) and (b) of this section.

(g) Other Business Entities. If the applicant is an association or partnership, a member or partner shall provide the information required under subsections (a) and (b) of this section.

Section 3. It is found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were passed in an open meeting of this Council and that all deliberations of this Council and any of its committees that resulted in such actions were in meetings open to the public and in compliance with legal requirements.

Adopted: _____

President of Council

Clerk of Council

Approved: _____

Mayor